

## As Introduced

135th General Assembly

Regular Session

2023-2024

S. B. No. 246

Senators Reynolds, Craig

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### A BILL

|  |    |
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| To amend sections 9.47, 9.66, 107.03, 107.21,    | 1  |
| 117.55, 121.02, 121.03, 121.35, 122.01, 122.011, | 2  |
| 122.012, 122.013, 122.014, 122.02, 122.03,       | 3  |
| 122.04, 122.041, 122.042, 122.05, 122.06,        | 4  |
| 122.07, 122.071, 122.073, 122.075, 122.077,      | 5  |
| 122.08, 122.081, 122.082, 122.083, 122.085,      | 6  |
| 122.086, 122.087, 122.088, 122.089, 122.0810,    | 7  |
| 122.0811, 122.0812, 122.0813, 122.0814,          | 8  |
| 122.0815, 122.0816, 122.0817, 122.09, 122.10,    | 9  |
| 122.11, 122.121, 122.131, 122.132, 122.133,      | 10 |
| 122.134, 122.135, 122.136, 122.14, 122.15,       | 11 |
| 122.151, 122.152, 122.153, 122.154, 122.155,     | 12 |
| 122.156, 122.16, 122.17, 122.171, 122.172,       | 13 |
| 122.173, 122.174, 122.175, 122.176, 122.177,     | 14 |
| 122.178, 122.179, 122.1710, 122.1711, 122.18,    | 15 |
| 122.19, 122.20, 122.21, 122.22, 122.23, 122.24,  | 16 |
| 122.25, 122.26, 122.27, 122.30, 122.31, 122.32,  | 17 |
| 122.33, 122.35, 122.36, 122.37, 122.38, 122.401, | 18 |
| 122.403, 122.406, 122.4017, 122.4018, 122.4019,  | 19 |
| 122.4020, 122.4023, 122.4024, 122.4030,          | 20 |
| 122.4031, 122.4032, 122.4033, 122.4034,          | 21 |
| 122.4035, 122.4036, 122.4037, 122.4040,          | 22 |
| 122.4043, 122.4044, 122.4045, 122.4046,          | 23 |
| 122.4050, 122.4051, 122.4055, 122.4063,          | 24 |

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| 122.4070, 122.4071, 122.4073, 122.4075,          | 25 |
| 122.4076, 122.4077, 122.41, 122.42, 122.43,      | 26 |
| 122.44, 122.45, 122.451, 122.46, 122.47, 122.48, | 27 |
| 122.49, 122.52, 122.53, 122.54, 122.55, 122.56,  | 28 |
| 122.561, 122.57, 122.571, 122.58, 122.59,        | 29 |
| 122.60, 122.601, 122.602, 122.603, 122.604,      | 30 |
| 122.605, 122.61, 122.62, 122.63, 122.631,        | 31 |
| 122.632, 122.633, 122.64, 122.641, 122.6510,     | 32 |
| 122.6511, 122.6512, 122.67, 122.68, 122.681,     | 33 |
| 122.69, 122.70, 122.701, 122.71, 122.72, 122.73, | 34 |
| 122.74, 122.75, 122.76, 122.77, 122.78, 122.79,  | 35 |
| 122.80, 122.81, 122.82, 122.84, 122.85, 122.851, | 36 |
| 122.852, 122.86, 122.88, 122.89, 122.90, 122.91, | 37 |
| 122.92, 122.921, 122.922, 122.923, 122.924,      | 38 |
| 122.925, 122.94, 122.941, 122.942, 122.951,      | 39 |
| 122.9511, 122.9512, 122.96, 123.01, 123.22,      | 40 |
| 125.08, 125.081, 125.111, 125.20, 125.836,       | 41 |
| 125.901, 126.023, 126.32, 126.62, 140.01,        | 42 |
| 145.035, 149.311, 150.02, 151.40, 153.59,        | 43 |
| 164.02, 165.01, 165.03, 165.20, 166.01, 166.02,  | 44 |
| 166.03, 166.04, 166.05, 166.06, 166.07, 166.08,  | 45 |
| 166.09, 166.12, 166.13, 166.14, 166.15, 166.16,  | 46 |
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| 166.27, 167.02, 169.05, 173.08, 174.01, 174.02,  | 48 |
| 174.03, 174.04, 174.05, 174.06, 174.07, 175.03,  | 49 |
| 175.04, 175.06, 175.15, 176.01, 176.07, 184.01,  | 50 |
| 184.151, 184.16, 187.01, 187.03, 187.04, 187.05, | 51 |
| 187.061, 191.02, 191.03, 191.10, 191.13, 191.15, | 52 |
| 191.17, 191.19, 191.27, 191.30, 191.33, 191.35,  | 53 |
| 191.37, 191.40, 191.44, 191.45, 308.21, 321.261, | 54 |
| 321.262, 333.03, 333.04, 333.05, 340.13, 703.34, | 55 |
| 709.024, 709.192, 715.70, 715.72, 902.04,        | 56 |

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| 1551.11, 1551.12, 1551.15, 1551.19, 1551.20,    | 58 |
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| 1555.03, 1555.04, 1555.05, 1555.06, 1555.08,    | 60 |
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| 3735.27, 3735.39, 3735.66, 3735.671, 3735.672,  | 63 |
| 3735.673, 3735.69, 3742.32, 3742.32f, 3746.121, | 64 |
| 3746.20, 3775.04, 3780.03, 3780.19, 4121.123,   | 65 |
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| 4503.591, 4582.58, 4901.021, 4906.02, 4928.06,  | 67 |
| 4928.43, 4928.51, 4928.52, 4928.53, 4928.54,    | 68 |
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| 4928.58, 4928.581, 4928.582, 4928.583, 4928.61, | 70 |
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| 5117.07, 5117.071, 5117.08, 5117.09, 5117.10,   | 74 |
| 5117.12, 5117.22, 5119.34, 5120.07, 5126.071,   | 75 |
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| 5709.12, 5709.211, 5709.212, 5709.22, 5709.40,  | 77 |
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| 5709.62, 5709.63, 5709.631, 5709.632, 5709.633, | 79 |
| 5709.64, 5709.66, 5709.67, 5709.671, 5709.68,   | 80 |
| 5709.69, 5709.73, 5709.78, 5709.82, 5709.87,    | 81 |
| 5709.88, 5709.882, 5717.02, 5725.32, 5725.33,   | 82 |
| 5726.54, 5726.55, 5726.59, 5727.75, 5729.032,   | 83 |
| 5729.16, 5733.33, 5733.34, 5733.352, 5733.58,   | 84 |
| 5733.59, 5747.01, 5747.331, 5747.51, 5747.66,   | 85 |
| 5747.67, 5751.52, 5751.54, 5751.55, 6111.12,    | 86 |
| 6121.02, and 6123.031 and to enact sections     | 87 |
| 122.634 and 122.635 of the Revised Code to      | 88 |

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| rename the Department of Development the         | 89 |
| Department of Housing and Development and to     | 90 |
| otherwise modify the law related to housing, and | 91 |
| to amend the versions of sections 3742.32 and    | 92 |
| 5104.30 of the Revised Code that are scheduled   | 93 |
| to take effect January 1, 2025, to continue the  | 94 |
| changes after that date.                         | 95 |

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

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| <b>Section 1.</b> That sections 9.47, 9.66, 107.03, 107.21,      | 96  |
| 117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 122.012,        | 97  |
| 122.013, 122.014, 122.02, 122.03, 122.04, 122.041, 122.042,      | 98  |
| 122.05, 122.06, 122.07, 122.071, 122.073, 122.075, 122.077,      | 99  |
| 122.08, 122.081, 122.082, 122.083, 122.085, 122.086, 122.087,    | 100 |
| 122.088, 122.089, 122.0810, 122.0811, 122.0812, 122.0813,        | 101 |
| 122.0814, 122.0815, 122.0816, 122.0817, 122.09, 122.10, 122.11,  | 102 |
| 122.121, 122.131, 122.132, 122.133, 122.134, 122.135, 122.136,   | 103 |
| 122.14, 122.15, 122.151, 122.152, 122.153, 122.154, 122.155,     | 104 |
| 122.156, 122.16, 122.17, 122.171, 122.172, 122.173, 122.174,     | 105 |
| 122.175, 122.176, 122.177, 122.178, 122.179, 122.1710, 122.1711, | 106 |
| 122.18, 122.19, 122.20, 122.21, 122.22, 122.23, 122.24, 122.25,  | 107 |
| 122.26, 122.27, 122.30, 122.31, 122.32, 122.33, 122.35, 122.36,  | 108 |
| 122.37, 122.38, 122.401, 122.403, 122.406, 122.4017, 122.4018,   | 109 |
| 122.4019, 122.4020, 122.4023, 122.4024, 122.4030, 122.4031,      | 110 |
| 122.4032, 122.4033, 122.4034, 122.4035, 122.4036, 122.4037,      | 111 |
| 122.4040, 122.4043, 122.4044, 122.4045, 122.4046, 122.4050,      | 112 |
| 122.4051, 122.4055, 122.4063, 122.4070, 122.4071, 122.4073,      | 113 |
| 122.4075, 122.4076, 122.4077, 122.41, 122.42, 122.43, 122.44,    | 114 |
| 122.45, 122.451, 122.46, 122.47, 122.48, 122.49, 122.52, 122.53, | 115 |

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| 122.54, 122.55, 122.56, 122.561, 122.57, 122.571, 122.58,        | 116 |
| 122.59, 122.60, 122.601, 122.602, 122.603, 122.604, 122.605,     | 117 |
| 122.61, 122.62, 122.63, 122.631, 122.632, 122.633, 122.64,       | 118 |
| 122.641, 122.6510, 122.6511, 122.6512, 122.67, 122.68, 122.681,  | 119 |
| 122.69, 122.70, 122.701, 122.71, 122.72, 122.73, 122.74, 122.75, | 120 |
| 122.76, 122.77, 122.78, 122.79, 122.80, 122.81, 122.82, 122.84,  | 121 |
| 122.85, 122.851, 122.852, 122.86, 122.88, 122.89, 122.90,        | 122 |
| 122.91, 122.92, 122.921, 122.922, 122.923, 122.924, 122.925,     | 123 |
| 122.94, 122.941, 122.942, 122.951, 122.9511, 122.9512, 122.96,   | 124 |
| 123.01, 123.22, 125.08, 125.081, 125.111, 125.20, 125.836,       | 125 |
| 125.901, 126.023, 126.32, 126.62, 140.01, 145.035, 149.311,      | 126 |
| 150.02, 151.40, 153.59, 164.02, 165.01, 165.03, 165.20, 166.01,  | 127 |
| 166.02, 166.03, 166.04, 166.05, 166.06, 166.07, 166.08, 166.09,  | 128 |
| 166.12, 166.13, 166.14, 166.15, 166.16, 166.17, 166.18, 166.19,  | 129 |
| 166.20, 166.21, 166.25, 166.27, 167.02, 169.05, 173.08, 174.01,  | 130 |
| 174.02, 174.03, 174.04, 174.05, 174.06, 174.07, 175.03, 175.04,  | 131 |
| 175.06, 175.15, 176.01, 176.07, 184.01, 184.151, 184.16, 187.01, | 132 |
| 187.03, 187.04, 187.05, 187.061, 191.02, 191.03, 191.10, 191.13, | 133 |
| 191.15, 191.17, 191.19, 191.27, 191.30, 191.33, 191.35, 191.37,  | 134 |
| 191.40, 191.44, 191.45, 308.21, 321.261, 321.262, 333.03,        | 135 |
| 333.04, 333.05, 340.13, 703.34, 709.024, 709.192, 715.70,        | 136 |
| 715.72, 902.04, 991.02, 1547.81, 1551.01, 1551.05, 1551.06,      | 137 |
| 1551.11, 1551.12, 1551.15, 1551.19, 1551.20, 1551.311, 1551.32,  | 138 |
| 1551.33, 1551.35, 1555.02, 1555.03, 1555.04, 1555.05, 1555.06,   | 139 |
| 1555.08, 1555.17, 1728.01, 1728.07, 3326.02, 3327.17, 3333.373,  | 140 |
| 3333.50, 3366.01, 3366.03, 3366.04, 3735.27, 3735.39, 3735.66,   | 141 |
| 3735.671, 3735.672, 3735.673, 3735.69, 3742.32, 3746.121,        | 142 |
| 3746.20, 3775.04, 3780.03, 3780.19, 4121.123, 4164.04, 4164.12,  | 143 |
| 4301.17, 4303.181, 4303.262, 4503.591, 4582.58, 4901.021,        | 144 |
| 4906.02, 4928.06, 4928.43, 4928.51, 4928.52, 4928.53, 4928.54,   | 145 |
| 4928.543, 4928.544, 4928.55, 4928.56, 4928.57, 4928.58,          | 146 |
| 4928.581, 4928.582, 4928.583, 4928.61, 4928.62, 4928.63,         | 147 |

4928.75, 4929.16, 4929.161, 4929.163, 4981.02, 4981.03, 5101.16, 148  
5104.30, 5117.02, 5117.03, 5117.04, 5117.05, 5117.07, 5117.071, 149  
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5126.071, 5126.18, 5501.031, 5531.08, 5703.0510, 5703.57, 151  
5709.12, 5709.211, 5709.212, 5709.22, 5709.40, 5709.41, 5709.45, 152  
5709.48, 5709.51, 5709.61, 5709.62, 5709.63, 5709.631, 5709.632, 153  
5709.633, 5709.64, 5709.66, 5709.67, 5709.671, 5709.68, 5709.69, 154  
5709.73, 5709.78, 5709.82, 5709.87, 5709.88, 5709.882, 5717.02, 155  
5725.32, 5725.33, 5726.54, 5726.55, 5726.59, 5727.75, 5729.032, 156  
5729.16, 5733.33, 5733.34, 5733.352, 5733.58, 5733.59, 5747.01, 157  
5747.331, 5747.51, 5747.66, 5747.67, 5751.52, 5751.54, 5751.55, 158  
6111.12, 6121.02, and 6123.031 be amended and sections 122.634 159  
and 122.635 of the Revised Code be enacted to read as follows: 160

**Sec. 9.47.** (A) Any person desiring to bid on a contract 161  
awarded pursuant to Chapter 153. of the Revised Code by an owner 162  
referred to in section 153.01 of the Revised Code or awarded by 163  
the director of transportation pursuant to Chapter 5525. of the 164  
Revised Code may make application for a certificate of 165  
compliance with affirmative action programs. Application shall 166  
be made to the department of housing and development. The 167  
director of housing and development's designee shall promptly 168  
determine whether the person has complied with all federal 169  
affirmative action programs to which the person was subject and 170  
any state affirmative action program to which the person was 171  
subject pursuant to section 153.59 of the Revised Code which 172  
state or federal affirmative action program arose out of a 173  
contract the person had with the federal government, the state, 174  
or a political subdivision of the state. Where the director's 175  
designee determines the person has not committed any violation 176  
of such prior affirmative action programs during the five years 177  
immediately preceding the date of determination, the director's 178

designee shall issue a dated certificate of compliance with 179  
affirmative action programs. The director's designee may issue 180  
an updated certificate to a person upon request but not more 181  
frequently than once every one hundred eighty days. A person who 182  
violates an affirmative action program during the five years 183  
preceding the date of determination is ineligible to bid on a 184  
contract awarded pursuant to Chapter 153. of the Revised Code by 185  
an owner referred to in section 153.01 of the Revised Code or 186  
awarded by the director of transportation pursuant to Chapter 187  
5525. of the Revised Code for a period of three years after the 188  
date of determination. 189

(B) Any person denied a certificate or an updated 190  
certificate may appeal to the director of housing and 191  
development for a review of that determination. The appeal must 192  
be filed within ten days of the date of the determination. The 193  
director shall, within five days after receipt of the appeal, 194  
either affirm or reverse the determination. 195

(C) Any person dissatisfied with the decision of the 196  
director on review may, within thirty days, appeal the decision 197  
of the director to the court of common pleas of Franklin county. 198  
The court may affirm or reverse the decision of the director. At 199  
the hearing before the court, evidence may be introduced for and 200  
against the decision of the director. The decision of the court 201  
may be appealed as in other cases. 202

(D) The director of housing and development, in accordance 203  
with Chapter 119. of the Revised Code, shall adopt, and may 204  
amend or rescind, rules to implement this section. 205

**Sec. 9.66.** (A) As used in this section: 206

(1) "Economic development assistance" means all of the 207

following: 208

(a) The programs and assistance provided or administered 209  
by the department of housing and development under Chapters 122. 210  
and 166. of the Revised Code and any other section of the 211  
Revised Code under which the department provides or administers 212  
economic development assistance; 213

(b) The programs and assistance provided or administered 214  
by a political subdivision under Chapters 725. and 1728. and 215  
sections 3735.67 to 3735.70, 5709.40 to 5709.43, 5709.61 to 216  
5709.69, 5709.73 to 5709.75, and 5709.77 to 5709.81 of the 217  
Revised Code and any other section of the Revised Code under 218  
which a political subdivision provides economic development 219  
assistance; 220

(c) Assistance provided under any other section of the 221  
Revised Code under which the state or a state agency provides or 222  
administers economic development assistance; 223

(d) The tax credit authorized by section 5725.31, 5729.07, 224  
or 5733.42 of the Revised Code. 225

(2) "Liability" means any of the following: 226

(a) Any delinquent tax owed the state or a political 227  
subdivision of the state; 228

(b) Any moneys owed the state or a state agency for the 229  
administration or enforcement of the environmental laws of the 230  
state; 231

(c) Any other moneys owed the state, a state agency, or a 232  
political subdivision of the state that are past due. 233

"Liability" includes any item described in division (A) (2) 234  
of this section that is being contested in a court of law. 235



(3) "Political subdivision" means any county, municipal 236  
corporation, or township of the state. 237

(4) "State agency" means every organized body, office, or 238  
agency established by the laws of the state for the exercise of 239  
any function of state government. 240

(B) A person who applies to the state, a state agency, or 241  
a political subdivision for economic development assistance 242  
shall indicate on the application for assistance whether the 243  
person has any outstanding liabilities owed to the state, a 244  
state agency, or a political subdivision. Such a person also 245  
shall authorize the state, state agency, or political 246  
subdivision to inspect the personal or corporate financial 247  
statements of the applicant, including tax records and other 248  
similar information not open to public inspection. 249

(C) (1) Whoever knowingly makes a false statement under 250  
division (B) of this section concerning an application for 251  
economic development assistance or who fails to provide any 252  
information required by that division is ineligible for the 253  
assistance applied for and is ineligible for any future economic 254  
development assistance from the state, a state agency, or a 255  
political subdivision. 256

(2) Whoever knowingly makes a false statement under 257  
division (B) of this section concerning an application for 258  
economic development assistance or who fails to provide any 259  
information required by that division shall return any moneys 260  
received from the state, a state agency, or a political 261  
subdivision in connection with that application. 262

**Sec. 107.03.** (A) As used in this section, "transportation 263  
budget" means the biennial budget that primarily includes the 264

following: 265

(1) Motor fuel excise tax-related appropriations for the 266  
department of transportation, public works commission, and 267  
department of housing and development; 268

(2) Other appropriations that pertain to transportation 269  
and infrastructure related to transportation. 270

(B) The governor shall submit a transportation budget to 271  
the general assembly not later than four weeks after the general 272  
assembly's organization. 273

(C) The governor shall submit to the general assembly, not 274  
later than four weeks after its organization, a state budget 275  
containing a complete financial plan for the ensuing fiscal 276  
biennium, excluding items of revenue and expenditure described 277  
in section 126.022 of the Revised Code. However, in years of a 278  
new governor's inauguration, this budget shall be submitted not 279  
later than the fifteenth day of March. 280

(D) In years of a new governor's inauguration, only the 281  
new governor shall submit a budget to the general assembly. In 282  
addition to other things required by law, each of the governor's 283  
budgets shall contain: 284

(1) A general budget summary by function and agency 285  
setting forth the proposed total expenses from each and all 286  
funds and the anticipated resources for meeting such expenses; 287  
such resources to include any available balances in the several 288  
funds at the beginning of the biennium and a classification by 289  
totals of all revenue receipts estimated to accrue during the 290  
biennium under existing law and proposed legislation. 291

(2) A detailed statement showing the amounts recommended 292  
to be appropriated from each fund for each fiscal year of the 293

biennium for current expenses, including, but not limited to, 294  
personal services, supplies and materials, equipment, subsidies 295  
and revenue distribution, merchandise for resale, transfers, and 296  
nonexpense disbursements, obligations, interest on debt, and 297  
retirement of debt, and for the biennium for capital outlay, to 298  
the respective departments, offices, institutions, as defined in 299  
section 121.01 of the Revised Code, and all other public 300  
purposes; and, in comparative form, the actual expenses by 301  
source of funds during each fiscal year of the previous two 302  
bienniums for each such purpose. No alterations shall be made in 303  
the requests for the legislative and judicial branches of the 304  
state filed with the director of budget and management under 305  
section 126.02 of the Revised Code. If any amount of federal 306  
money is recommended to be appropriated or has been expended for 307  
a purpose for which state money also is recommended to be 308  
appropriated or has been expended, the amounts of federal money 309  
and state money involved shall be separately identified. 310

(3) A detailed estimate of the revenue receipts in each 311  
fund from each source under existing laws during each year of 312  
the biennium; and, in comparative form, actual revenue receipts 313  
in each fund from each source for each year of the two previous 314  
bienniums; 315

(4) The estimated cash balance in each fund at the 316  
beginning of the biennium covered by the budget; the estimated 317  
liabilities outstanding against each such balance; and the 318  
estimated net balance remaining and available for new 319  
appropriations; 320

(5) A detailed estimate of the additional revenue receipts 321  
in each fund from each source under proposed legislation, if 322  
enacted, during each year of the biennium; 323

(6) The most recent report prepared by the department of 324  
taxation under section 5703.48 of the Revised Code, which shall 325  
be submitted to the general assembly as an appendix to the 326  
governor's budget; 327

(7) The most recent TANF spending plan prepared by the 328  
department of job and family services under section 5101.806 of 329  
the Revised Code, which shall be submitted to the general 330  
assembly as an appendix to the governor's budget; 331

(8) The medicaid caseload and expenditure forecast report 332  
prepared by the office of budget and management, in consultation 333  
with the department of medicaid, under section 126.021 of the 334  
Revised Code. The report shall be submitted to the general 335  
assembly as a supplemental budget document to provide an in- 336  
depth analysis of the governor's budget recommendations for the 337  
medicaid budget as a whole and for each of the major medicaid 338  
appropriation items. The report shall clearly distinguish a 339  
proposed policy change from continuing law or administrative 340  
policy and indicate whether the data used throughout the report 341  
is proposed, estimated, or actual data for the current or 342  
proposed budget biennium. At a minimum, the report shall 343  
delineate a part-to-whole mapping of the state and federal 344  
shares of the general revenue fund appropriation item 651525, 345  
medicaid health care services, or any other equivalent general 346  
revenue fund appropriation item, by eligibility group and 347  
subgroup, service delivery system, delivery system, medicaid 348  
provider, and program. 349

**Sec. 107.21.** (A) As used in this section, "Appalachian 350  
region" means the following counties in this state that have 351  
been designated as part of Appalachia by the federal Appalachian 352  
regional commission and that have been geographically isolated 353

and economically depressed: Adams, Ashtabula, Athens, Belmont, 354  
Brown, Carroll, Clermont, Columbiana, Coshocton, Gallia, 355  
Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, 356  
Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, 357  
Noble, Perry, Pike, Ross, Scioto, Trumbull, Tuscarawas, Vinton, 358  
and Washington. 359

(B) There is hereby created in the department of housing 360  
and development the governor's office of Appalachian Ohio. The 361  
governor shall designate the director of the governor's office 362  
of Appalachian Ohio. The director shall report directly to the 363  
office of the governor. On January 1, 1987, the governor shall 364  
designate the director to represent this state on the federal 365  
Appalachian regional commission. The director may appoint such 366  
employees as are necessary to exercise the powers and duties of 367  
this office. The director shall maintain local development 368  
districts as established within the Appalachian region for the 369  
purpose of regional planning for the distribution of funds from 370  
the Appalachian regional commission within the Appalachian 371  
region. 372

(C) The governor's office of Appalachian Ohio shall 373  
represent the interests of the Appalachian region in the 374  
government of this state. The duties of the director of the 375  
office shall include, but are not limited to, the following: 376

(1) To identify residents of the Appalachian region 377  
qualified to serve on state boards, commissions, and bodies and 378  
in state offices, and to bring these persons to the attention of 379  
the governor; 380

(2) To represent the interests of the Appalachian region 381  
in the general assembly and before state boards, commissions, 382  
bodies, and agencies; 383

(3) To assist in forming a consensus on public issues and 384  
policies among institutions and organizations that serve the 385  
Appalachian region; 386

(4) To act as an ombudsperson to assist in resolving 387  
differences between state or federal agencies and the officials 388  
of political subdivisions or private, nonprofit organizations 389  
located within the Appalachian region; 390

(5) To assist planning commissions, agencies, and 391  
organizations within the Appalachian region in distributing 392  
planning information and documents to the appropriate state and 393  
federal agencies and to assist in focusing attention on any 394  
findings and recommendations of these commissions, agencies, and 395  
organizations; 396

(6) To issue reports on the Appalachian region that 397  
describe progress achieved and the needs that still exist in the 398  
region; 399

(7) To assist the governor's office in resolving the 400  
problems of residents of the Appalachian region that come to the 401  
governor's attention. 402

(D) The amount of money from appropriated state funds 403  
allocated each year to pay administrative costs of a local 404  
development district existing on ~~the effective date of this~~ 405  
~~amendment~~ October 16, 2009, shall not be decreased due to the 406  
creation and funding of additional local development districts. 407  
The amount of money allocated to each district shall be 408  
increased each year by the average percentage of increase in the 409  
consumer price index for the prior year. 410

As used in this division, "consumer price index" means the 411  
consumer price index for all urban consumers (United States city 412

average, all items), prepared by the United States department of 413  
labor, bureau of labor statistics. 414

**Sec. 117.55.** (A) As used in this section: 415

(1) "Entity" means, whether for profit or nonprofit, a 416  
corporation, association, partnership, limited liability 417  
company, sole proprietorship, or other business entity. "Entity" 418  
does not include an individual who receives state assistance 419  
that is not related to the individual's business. 420

(2) "State award for economic development" means state 421  
financial assistance and expenditure in any of the following 422  
forms: grants, subgrants, loans, awards, cooperative agreements, 423  
or other similar and related forms of financial assistance and 424  
contracts, subcontracts, purchase orders, task orders, delivery 425  
orders, or other similar and related transactions. It does not 426  
include compensation received as an employee of the state or any 427  
state financial assistance and expenditure received from the 428  
general assembly or any legislative agency, any court or 429  
judicial agency, or from the offices of the attorney general, 430  
the secretary of state, the auditor of state, or the treasurer 431  
of state. 432

(B) Not later than thirty days after the end of the state 433  
fiscal year, the department of housing and development shall 434  
send the auditor of state a list of state awards for economic 435  
development. The auditor of state shall review each award and 436  
determine if an entity is in compliance with the terms and 437  
conditions, including performance metrics, of a state award for 438  
economic development received by that entity. 439

(C) The auditor of state shall publish a report of its 440  
reviews and determinations not later than ninety days after 441

receipt of the list of state awards from the department of 442  
housing and development. 443

(D) When the auditor of state finds that an entity that 444  
receives or has received a state award for economic development 445  
is not in compliance with a performance metric that is specified 446  
in the terms and conditions of the award, the auditor of state 447  
shall report the findings to the attorney general. The attorney 448  
general may pursue against and from that entity such remedies 449  
and recoveries as are available under law. 450

(E) If the auditor of state is authorized to conduct an 451  
audit of an entity that receives or has received a state award 452  
for economic development, the audit shall be conducted in 453  
accordance with Chapter 117. of the Revised Code. 454

**Sec. 121.02.** The following administrative departments and 455  
their respective directors are hereby created: 456

(A) The office of budget and management, which shall be 457  
administered by the director of budget and management; 458

(B) The department of commerce, which shall be 459  
administered by the director of commerce; 460

(C) The department of administrative services, which shall 461  
be administered by the director of administrative services; 462

(D) The department of transportation, which shall be 463  
administered by the director of transportation; 464

(E) The department of agriculture, which shall be 465  
administered by the director of agriculture; 466

(F) The department of natural resources, which shall be 467  
administered by the director of natural resources; 468



(G) The department of health, which shall be administered 469  
by the director of health; 470

(H) The department of job and family services, which shall 471  
be administered by the director of job and family services; 472

(I) The department of children and youth, which shall be 473  
administered by the director of children and youth; 474

(J) The department of public safety, which shall be 475  
administered by the director of public safety; 476

(K) The department of mental health and addiction 477  
services, which shall be administered by the director of mental 478  
health and addiction services; 479

(L) The department of developmental disabilities, which 480  
shall be administered by the director of developmental 481  
disabilities; 482

(M) The department of insurance, which shall be 483  
administered by the superintendent of insurance as director 484  
thereof; 485

(N) The department of housing and development, which shall 486  
be administered by the director of housing and development; 487

(O) The department of youth services, which shall be 488  
administered by the director of youth services; 489

(P) The department of rehabilitation and correction, which 490  
shall be administered by the director of rehabilitation and 491  
correction; 492

(Q) The environmental protection agency, which shall be 493  
administered by the director of environmental protection; 494

(R) The department of aging, which shall be administered 495

by the director of aging; 496

(S) The department of veterans services, which shall be 497  
administered by the director of veterans services; 498

(T) The department of medicaid, which shall be 499  
administered by the medicaid director; 500

(U) The department of education and workforce, which shall 501  
be administered by the director of education and workforce. 502

The director of each department shall exercise the powers 503  
and perform the duties vested by law in such department. 504

**Sec. 121.03.** The following administrative department heads 505  
shall be appointed by the governor, with the advice and consent 506  
of the senate, and shall hold their offices during the term of 507  
the appointing governor, and are subject to removal at the 508  
pleasure of the governor. 509

(A) The director of budget and management; 510

(B) The director of commerce; 511

(C) The director of transportation; 512

(D) The director of agriculture; 513

(E) The director of job and family services; 514

(F) The director of children and youth; 515

(G) The director of public safety; 516

(H) The superintendent of insurance; 517

(I) The director of housing and development; 518

(J) The tax commissioner; 519

(K) The director of administrative services; 520

|   |                                 |
|---|---------------------------------|
| (L) The director of natural resources;  | 521                             |
| (M) The director of mental health and addiction services;   | 522                             |
| (N) The director of developmental disabilities;   | 523                             |
| (O) The director of health;   | 524                             |
| (P) The director of youth services;   | 525                             |
| (Q) The director of rehabilitation and correction;  | 526                             |
| (R) The director of environmental protection;   | 527                             |
| (S) The director of aging;  | 528                             |
| (T) The administrator of workers' compensation who meets<br>the qualifications required under division (A) of section<br>4121.121 of the Revised Code;  | 529<br>530<br>531               |
| (U) The director of veterans services who meets the<br>qualifications required under section 5902.01 of the Revised<br>Code;  | 532<br>533<br>534               |
| (V) The chancellor of higher education;   | 535                             |
| (W) The medicaid director;  | 536                             |
| (X) The director of education and workforce.  | 537                             |
| <b>Sec. 121.35.</b> (A) Subject to division (B) of this section,<br>the following state agencies shall collaborate to revise and<br>make more uniform the eligibility standards and eligibility<br>determination procedures of programs the state agencies<br>administer: | 538<br>539<br>540<br>541<br>542 |
| (1) The department of aging;  | 543                             |
| (2) The department of <u>housing and</u> development;   | 544                             |
| (3) The department of developmental disabilities;   | 545                             |

(4) The department of education and workforce; 546

(5) The department of health; 547

(6) The department of job and family services; 548

(7) The department of medicaid; 549

(8) The department of mental health and addiction 550  
services; 551

(9) The opportunities for Ohioans with disabilities 552  
agency; 553

(10) The department of children and youth. 554

(B) In revising eligibility standards and eligibility 555  
determination procedures, a state agency shall not make any 556  
program's eligibility standards or eligibility determination 557  
procedures inconsistent with state or federal law. To the extent 558  
authorized by state and federal law, the revisions may provide 559  
for the state agencies to share administrative operations. 560

**Sec. 122.01.** (A) As used in the Revised Code, the 561  
"development services agency" and the "department of 562  
development" means the department of housing and development and 563  
the "director of development services" and the "director of 564  
development" means the director of housing and development. 565  
Whenever the development services agency, department of 566  
development, director of development, or director of development 567  
services is referred to or designated in any statute, rule, 568  
contract, grant, or other document, the reference or designation 569  
shall be deemed to refer to the department of housing and 570  
development or director of housing and development, as the case 571  
may be. 572

(B) As used in this chapter: 573

(1) "Community problems" includes, but is not limited to, 574  
taxation, fiscal administration, governmental structure and 575  
organization, intergovernmental cooperation, education and 576  
training, employment needs, community planning and development, 577  
air and water pollution, public safety and the administration of 578  
justice, housing, mass transportation, community facilities and 579  
services, health, welfare, recreation, open space, and the 580  
development of human resources. 581

(2) "Professional personnel" means either of the 582  
following: 583

(a) Personnel who have earned a bachelor's degree from a 584  
college or university; 585

(b) Personnel who serve as or have the working title of 586  
director, assistant director, deputy director, assistant deputy 587  
director, manager, office chief, assistant office chief, or 588  
program director. 589

(3) "Technical personnel" means any of the following: 590

(a) Personnel who provide technical assistance according 591  
to their job description or in accordance with the Revised Code; 592

(b) Personnel employed in the director of housing and 593  
development's office or the legal office, communications office, 594  
finance office, legislative affairs office, or human resources 595  
office of the department of housing and development; 596

(c) Personnel employed in the technology division of the 597  
department. 598

**Sec. 122.011.** (A) The department of housing and 599  
development shall develop and promote plans and programs 600  
designed to assure that state resources are efficiently used, 601

economic growth is properly balanced, community growth is 602  
developed in an orderly manner, and local governments are 603  
coordinated with each other and the state, and for such purposes 604  
may do all of the following: 605

(1) Serve as a clearinghouse for information, data, and 606  
other materials that may be helpful or necessary to persons or 607  
local governments, as provided in section 122.073 of the Revised 608  
Code; 609

(2) Prepare and activate plans for the retention, 610  
development, expansion, and use of the resources and commerce of 611  
the state, as provided in section 122.04 of the Revised Code; 612

(3) Assist and cooperate with federal, state, and local 613  
governments and agencies of federal, state, and local 614  
governments in the coordination of programs to carry out the 615  
functions and duties of the department; 616

(4) Encourage and foster research and development 617  
activities, conduct studies related to the solution of community 618  
problems, and develop recommendations for administrative or 619  
legislative actions, as provided in section 122.03 of the 620  
Revised Code; 621

(5) Serve as the economic and community development 622  
planning agency, which shall prepare and recommend plans and 623  
programs for the orderly growth and development of this state 624  
and which shall provide planning assistance, as provided in 625  
section 122.06 of the Revised Code; 626

(6) Cooperate with and provide technical assistance to 627  
state departments, political subdivisions, regional and local 628  
planning commissions, tourist associations, councils of 629  
government, community development groups, community action 630

agencies, and other appropriate organizations for carrying out 631  
the functions and duties of the department of housing and 632  
development or for the solution of community problems; 633

(7) Coordinate the activities of state agencies that have 634  
an impact on carrying out the functions and duties of the 635  
department of housing and development; 636

(8) Encourage and assist the efforts of and cooperate with 637  
local governments to develop mutual and cooperative solutions to 638  
their common problems that relate to carrying out the purposes 639  
of this section; 640

(9) Study existing structure, operations, and financing of 641  
regional or local government and those state activities that 642  
involve significant relations with regional or local 643  
governmental units, recommend to the governor and to the general 644  
assembly such changes in these provisions and activities as will 645  
improve the operations of regional or local government, and 646  
conduct other studies of legal provisions that affect problems 647  
related to carrying out the purposes of this section; 648

(10) Create and operate a division of community 649  
development to develop and administer programs and activities 650  
that are authorized by federal statute or the Revised Code; 651

(11) Until October 15, 2007, establish fees and charges, 652  
in consultation with the director of agriculture, for purchasing 653  
loans from financial institutions and providing loan guarantees 654  
under the family farm loan program created under sections 901.80 655  
to 901.83 of the Revised Code; 656

(12) Provide loan servicing for the loans purchased and 657  
loan guarantees provided under section 901.80 of the Revised 658  
Code as that section existed prior to October 15, 2007; 659

(13) Until October 15, 2007, and upon approval by the 660  
controlling board under division (A) (3) of section 901.82 of the 661  
Revised Code of the release of money to be used for purchasing a 662  
loan or providing a loan guarantee, request the release of that 663  
money in accordance with division (B) of section 166.03 of the 664  
Revised Code for use for the purposes of the fund created by 665  
section 166.031 of the Revised Code. 666

(14) Allocate that portion of the national recovery zone 667  
economic development bond limitation and that portion of the 668  
national recovery zone facility bond limitation that has been 669  
allocated to the state under section 1400U-1 of the Internal 670  
Revenue Code, 26 U.S.C. 1400U-1. If any county or municipal 671  
corporation waives any portion of an allocation it receives 672  
under division (A) (14) of this section, the department may 673  
reallocate that amount. Any allocation or reallocation shall be 674  
made in accordance with this section and section 1400U-1 of the 675  
Internal Revenue Code. 676

(B) The director of housing and development may request 677  
the attorney general to, and the attorney general, in accordance 678  
with section 109.02 of the Revised Code, shall bring a civil 679  
action in any court of competent jurisdiction. The director may 680  
be sued in the director's official capacity, in connection with 681  
this chapter, in accordance with Chapter 2743. of the Revised 682  
Code. 683

(C) The director shall execute a contract pursuant to 684  
section 187.04 of the Revised Code with the nonprofit 685  
corporation formed under section 187.01 of the Revised Code, and 686  
may execute any additional contracts with the corporation 687  
providing for the corporation to assist the director or 688  
department in carrying out any duties of the director or 689



department under this chapter, under any other provision of the 690  
Revised Code dealing with economic development, or under a 691  
contract with the director, subject to section 187.04 of the 692  
Revised Code. 693

**Sec. 122.012.** The director of housing and development may 694  
designate any governmental entity as an agency of the state to 695  
act within a specified region of the state for the purpose of 696  
creating and preserving jobs and employment opportunities and 697  
financing projects intended to create or preserve jobs and 698  
employment opportunities. Any such designation shall be in 699  
addition to agency designations made for such purpose by, or by 700  
the director pursuant to, Section 56.09 of H.B. 298 of the 119th 701  
general assembly, the provisions of which pertaining to such 702  
designations, and the designations so made, remain in full force 703  
and effect as continuing grants of authority. Each agency 704  
designated by or pursuant to Section 56.09 of H.B. 298 of the 705  
119th general assembly or this section may exercise any 706  
statutory powers it has under any other section of the Revised 707  
Code to accomplish the purposes of this section within the 708  
agency's specified region. The regions served by agencies shall 709  
not overlap. The director may reduce, expand, or otherwise 710  
modify the region served by, or limit the authority of, any such 711  
agency. 712

**Sec. 122.013.** The department of housing and development 713  
shall post the following on the official internet site of the 714  
department: 715

(A) Annual reports of the progress and status of eligible 716  
projects made as required under division (E) of section 122.0814 717  
of the Revised Code; 718

(B) The annual report made by the director of housing and 719

development under section 122.0817 of the Revised Code; 720

(C) Reports made by the third frontier commission under 721  
section 184.15 of the Revised Code; 722

(D) Information on all support awarded under section 723  
184.11 of the Revised Code. 724

**Sec. 122.014.** (A) As used in this section, "gaming 725  
activities" means activities conducted in connection with or 726  
that include any of the following: 727

(1) Casino gaming, as authorized and defined in Section 728  
6(C) of Article XV, Ohio Constitution; 729

(2) Casino gaming, as defined in division (E) of section 730  
3772.01 of the Revised Code; or 731

(3) The pari-mutuel system of wagering as authorized and 732  
described in Chapter 3769. of the Revised Code. 733

(B) The department of housing and development or any other 734  
entity that administers any program or development project 735  
established under Chapter 122., 166., or 184. of the Revised 736  
Code or in ~~sections~~ section 149.311, 5709.87, or 5709.88 of the 737  
Revised Code shall not provide any financial assistance, 738  
including loans, tax credits, and grants, staffing assistance, 739  
technical support, or other assistance to businesses conducting 740  
gaming activities or for project sites on which gaming 741  
activities are or will be conducted. 742

**Sec. 122.02.** The department of housing and development may 743  
apply for, receive, and accept grants, gifts, contributions, 744  
loans and any other assistance in any form from public and 745  
private sources, including assistance from agencies and 746  
instrumentalities of the United States and including the 747

application for, receipt, and acceptance, on behalf of this 748  
state, of assistance from agencies and instrumentalities of the 749  
United States for the purposes of Chapter 122. of the Revised 750  
Code except that nothing in this section prohibits the minority 751  
business development division from exercising its authority 752  
under section 122.93 of the Revised Code. The department shall 753  
do all things necessary to apply for, receive, and administer 754  
such assistance in accordance with the laws of Ohio. It may 755  
contract or enter into agreements with any person, governmental 756  
agency, or public or private organization, and any local or 757  
regional agency or political subdivision of the state may 758  
contract with it, to carry out the purposes of Chapter 122. of 759  
the Revised Code. The department may require, in all contracts 760  
for assistance stipulations that the contractors and any 761  
subcontractors comply with requirements as to minimum wages, 762  
hours of work, equal employment, and any other conditions which 763  
the United States has attached to its financial aid to the 764  
projects. 765

**Sec. 122.03.** The department of housing and development 766  
shall: 767

(A) Maintain a continuing evaluation of existing research 768  
facilities in the state and their relationship to orderly 769  
~~economic~~ economic growth and the solution of community problems 770  
of the state; 771

(B) Prepare and disseminate information relative to 772  
research facilities in the state and their availability to 773  
industrial activities and the solution of community problems; 774

(C) Prepare and recommend programs for the coordination of 775  
research activities in the state and to assure the maximum use 776  
of such facilities in the development of orderly economic growth 777

and the solution of community problems; 778

(D) Cooperate with educational institutions in the 779  
development of educational programs to train technical personnel 780  
in the field of research and those other fields related to the 781  
solution of community problems; 782

(E) Carry out continuing studies and analyses of the 783  
problems and opportunities of communities, districts, and 784  
regions within the state, and of multi-state regions of which 785  
Ohio is a part. 786

**Sec. 122.04.** The department of housing and development 787  
shall do the following: 788

(A) Maintain a continuing evaluation of the sources 789  
available for the retention, development, or expansion of 790  
industrial and commercial facilities in this state through both 791  
public and private agencies; 792

(B) Assist public and private agencies in obtaining 793  
information necessary to evaluate the desirability of the 794  
retention, construction, or expansion of industrial and 795  
commercial facilities in the state; 796

(C) Facilitate contracts between community improvement 797  
corporations organized under Chapter 1724. of the Revised Code 798  
or Ohio development corporations organized under Chapter 1726. 799  
of the Revised Code and industrial and commercial concerns 800  
seeking to locate or expand in the state; 801

(D) Upon request, consult with public agencies or 802  
authorities in the preparation of studies of human and economic 803  
needs or advantages relating to economic and community 804  
development; 805

(E) Encourage, promote, and assist trade and commerce 806  
between this state and foreign nations; 807

(F) Promote and encourage persons to visit and travel 808  
within this state; 809

(G) Maintain membership in the national association of 810  
state development agencies; 811

(H) Assist in the development of facilities and 812  
technologies that will lead to increased, environmentally sound 813  
use of Ohio coal; 814

(I) Promote economic growth in the state. 815

**Sec. 122.041.** The director of housing and development 816  
shall do all of the following with regard to the encouraging 817  
diversity, growth, and equity program created under section 818  
122.922 of the Revised Code: 819

(A) Conduct outreach, marketing, and recruitment of EDGE 820  
business enterprises, as defined in that section; 821

(B) Provide business development services to EDGE business 822  
enterprises in the developmental and transitional stages of the 823  
program, including financial and bonding assistance and 824  
management and technical assistance; 825

(C) Develop a mentor program to bring businesses into a 826  
working relationship with EDGE business enterprises in a way 827  
that commercially benefits both entities and serves the purpose 828  
of the EDGE program; 829

(D) Establish processes by which an EDGE business 830  
enterprise may apply for contract assistance, financial and 831  
bonding assistance, management and technical assistance, and 832  
mentoring opportunities. 833

**Sec. 122.042.** The director of housing and development may 834  
found an employment opportunity program that encourages 835  
employers to employ individuals who are members of significantly 836  
disadvantaged groups. If the director intends to found such an 837  
employment opportunity program, the director shall adopt, and 838  
thereafter may amend or rescind, rules under Chapter 119. of the 839  
Revised Code to found, and to operate, maintain, and improve, 840  
the program. In the rules, the director shall: 841

(A) Construct, and, as changing circumstances indicate, 842  
re-construct, procedures according to which significantly 843  
disadvantaged groups are identified as such, an individual is 844  
identified as being a member of a significantly disadvantaged 845  
group, and an employer is identified as being a potential 846  
employer of an individual who is a member of a significantly 847  
disadvantaged group; 848

(B) Describe, and, as experience indicates, re-describe, 849  
the kinds of evidence that shall be considered to identify 850  
significantly disadvantaged groups, the kinds of evidence an 851  
individual shall offer to prove that the individual is a member 852  
of a significantly disadvantaged group, and the kinds of 853  
evidence an employer shall offer to prove that the employer is a 854  
potential employer of an individual who is a member of a 855  
significantly disadvantaged group; 856

(C) Specify, and, as experience indicates, re-specify, 857  
strategies and tactics for connecting individuals who are 858  
members of significantly disadvantaged groups with potential 859  
employers of members of significantly disadvantaged groups; and 860

(D) Construct, describe, specify, define, and prescribe 861  
any other thing that is necessary and proper for the founding, 862  
and for the successful and efficient operation, maintenance, and 863

improvement, of the employment opportunity program. 864

In founding, and in operating, maintaining, and improving, 865  
the employment opportunity program under the rules, the director 866  
shall proceed so that the resulting program functions as a 867  
coherent, efficient system for improving employment 868  
opportunities for significantly disadvantaged groups. Examples 869  
of significantly disadvantaged groups include individuals who 870  
have not graduated from high school, individuals who have been 871  
convicted of a crime, individuals who are disabled, and 872  
individuals who are chronically unemployed (usually for more 873  
than eighteen months). 874

**Sec. 122.05.** (A) The director of housing and development 875  
may, to carry out the purposes of division (E) of section 122.04 876  
of the Revised Code: 877

(1) Establish offices in foreign countries as the director 878  
considers appropriate and enter into leases of real property, 879  
buildings, and office space that are appropriate for these 880  
offices; 881

(2) Appoint personnel, who shall be in the unclassified 882  
civil services, necessary to operate such offices and fix their 883  
compensation. The director may enter into contracts with foreign 884  
nationals to staff the foreign offices established under this 885  
section. 886

(3) The director may establish United States dollar and 887  
foreign currency accounts for the payment of expenses related to 888  
the operation and maintenance of the offices established under 889  
this section. The director shall establish procedures acceptable 890  
to the director of budget and management for the conversion, 891  
transfer, and control of United States dollars and foreign 892

currency. 893

(4) Provide export promotion assistance to Ohio businesses 894  
and organize or support missions to foreign countries to promote 895  
export of Ohio products and services and to encourage foreign 896  
direct investment in Ohio. The director may charge fees to 897  
businesses receiving export assistance and to participants in 898  
foreign missions sufficient to recover the direct costs of those 899  
activities. The director shall adopt, as an internal management 900  
rule under section 111.15 of the Revised Code, a procedure for 901  
setting the fees and a schedule of fees for services commonly 902  
provided by the department. The procedure shall require the 903  
director to annually review the established fees. 904

(5) Do all things necessary and appropriate for the 905  
operation of the state's foreign offices. 906

(B) All contracts entered into under division (A) (2) of 907  
this section and any payments of expenses under division (A) (3) 908  
of this section related to the operation and maintenance of 909  
foreign offices established under this section may be paid in 910  
the appropriate foreign currency and are exempt from sections 911  
127.16 and 5147.07 and Chapters 124., 125., and 153. of the 912  
Revised Code. 913

**Sec. 122.06.** The department of housing and development 914  
shall: 915

(A) Assemble, analyze, and make available to governmental 916  
agencies and the public, information relative to the human, 917  
natural, and economic resources and economic needs of the state; 918

(B) Prepare and maintain, in cooperation with departments 919  
and agencies of the state, comprehensive plans and 920  
recommendations for promotion of more desirable patterns of 921



growth and development of the resources of the state; 922

(C) Assist in the coordination of development plans of 923  
federal, state and local governments, regional and local 924  
planning authorities, and private agencies; 925

(D) Provide planning assistance to state departments and 926  
agencies, political subdivisions, county planning commissions, 927  
regional planning units, councils of government, and local 928  
governments of this state. Such planning assistance may be 929  
rendered with respect to surveys, land use studies, urban 930  
renewal plans, technical services and other planning work. In so 931  
doing, the department may contract with municipal subdivisions, 932  
with regional planning commissions, and with qualified persons, 933  
firms, and agencies. 934

(E) Cooperate with federal agencies and authorities of 935  
other states in the solution of community and development 936  
problems which cross state lines; 937

(F) Recommend guidelines for the development and 938  
management of new communities; 939

(G) Prepare and maintain rules concerning certification of 940  
workable programs for impacted cities pursuant to division (C) 941  
of section 1728.01 of the Revised Code, provided that the 942  
department shall consult with officials of municipalities and 943  
representatives of statewide organizations of such officials 944  
prior to the preparation, adoption, or change of such rules. 945

**Sec. 122.07.** (A) There is hereby created within the 946  
department of housing and development an office to be known as 947  
the office of TourismOhio. The office shall be under the 948  
supervision of a director who shall be of equivalent rank of 949  
deputy director of the agency and shall serve at the pleasure of 950

the director of housing and development. 951

(B) The office shall do both of the following: 952

(1) Promote the state as a destination for living, 953  
learning, working, and traveling, and provide related services 954  
or otherwise carry out the promotional functions or duties of 955  
the department, as necessary; 956

(2) Perform an annual return-on-investment study analyzing 957  
the office's success in promoting Ohio. A report containing the 958  
findings of the study shall be submitted to the governor, the 959  
speaker and minority leader of the house of representatives, and 960  
the president and minority leader of the senate. The report 961  
shall also be made available to the public. 962

**Sec. 122.071.** (A) The TourismOhio advisory board is hereby 963  
established to advise the director of housing and development 964  
~~services~~ and the director of the office of TourismOhio on 965  
strategies for promoting ~~tourism in this state~~ as a destination 966  
for living, learning, working, and traveling. The board shall 967  
consist of the chief investment officer of the nonprofit 968  
corporation formed under section 187.01 of the Revised Code or 969  
the chief investment officer's designee, the director of the 970  
office of TourismOhio, and nine members to be appointed by the 971  
governor as provided in division (B) of this section. All 972  
members of the board, except the director of the office of 973  
TourismOhio, shall be voting members. 974

(B) (1) The governor shall, within sixty days after 975  
September 28, 2012, appoint to the TourismOhio advisory board 976  
one individual who is a representative of convention and 977  
visitors' bureaus, one individual who is a representative of the 978  
lodging industry, one individual who is a representative of the 979

restaurant industry, one individual who is a representative of 980  
attractions, one individual who is a representative of special 981  
events and festivals, one individual who is a representative of 982  
agritourism, and three individuals who are representatives of 983  
the tourism industry. Of the initial appointments, two 984  
individuals shall serve a term of one year, three individuals 985  
shall serve a term of two years, and the remainder shall serve a 986  
term of three years. Thereafter, terms of office shall be for 987  
three years. Each individual appointed to the board shall be a 988  
United States citizen. 989

(2) For purposes of division (B)(1) of this section, an 990  
individual is a "representative of the tourism industry" if the 991  
individual possesses five years or more executive-level 992  
experience in the attractions, lodging, restaurant, 993  
transportation, or retail industry or five years or more 994  
executive-level experience with a destination marketing 995  
organization. 996

(C)(1) Each member of the TourismOhio advisory board shall 997  
hold office from the date of the member's appointment until the 998  
end of the term for which the member is appointed. Vacancies 999  
that occur on the board shall be filled in the manner prescribed 1000  
for regular appointments to the board. A member appointed to 1001  
fill a vacancy occurring prior to the expiration of the term for 1002  
which the member's predecessor was appointed shall hold office 1003  
for the remainder of that predecessor's term. A member shall 1004  
continue in office subsequent to the expiration date of the 1005  
member's term until the member's successor takes office or until 1006  
sixty days have elapsed, whichever occurs first. Any member 1007  
appointed to the board is eligible for reappointment. 1008

(2) The governor shall designate one member of the board 1009

as chairperson. 1010

(3) Members appointed to the board may be reimbursed for 1011  
actual and necessary expenses incurred in connection with their 1012  
official duties. 1013

**Sec. 122.073.** (A) The department of housing and 1014  
development ~~services agency~~ may do any of the following: 1015

(1) Disseminate information concerning the industrial, 1016  
commercial, governmental, educational, cultural, recreational, 1017  
agricultural, and other advantages and attractions of the state; 1018

(2) Provide technical assistance to public and private 1019  
agencies in the preparation of promotional programs designed to 1020  
attract business, industry, and tourists to the state; 1021

(3) Enter into cooperative or contractual agreements, 1022  
through the director of housing and development services, with 1023  
any individual, organization, or business to create, administer, 1024  
or otherwise be involved with Ohio ~~tourism-related~~ promotional 1025  
programs. Compensation under such agreements shall be determined 1026  
by the director and may include deferred compensation. This 1027  
compensation is payable from the tourism fund created in section 1028  
122.072 of the Revised Code. Any excess revenue generated under 1029  
such a cooperative or contractual agreement shall be remitted to 1030  
the fund to be reinvested in ongoing tourism marketing 1031  
initiatives as authorized by law. 1032

(B) The department of housing development and the office 1033  
of TourismOhio shall establish and implement a campaign to 1034  
promote Ohio as a pro-housing state and to engage and educate 1035  
Ohioans about the benefits of growth and innovation in housing 1036  
and economic development. 1037

(C) Records related to tourism market research submitted 1038

to or generated by the office of TourismOhio, and any 1039  
information taken for any purpose from such research, are not 1040  
public records for the purposes of section 149.43 of the Revised 1041  
Code. The ~~agency~~department may use, however, such tourism 1042  
market research in a public report if the director determines 1043  
that issuing and distributing the report would promote or market 1044  
the state's travel and tourism industry or otherwise advance the 1045  
purposes of this section. 1046

**Sec. 122.075.** (A) As used in this section: 1047

(1) "Alternative fuel" has the same meaning as in section 1048  
125.831 of the Revised Code. 1049

(2) "Biodiesel" means a mono-alkyl ester combustible 1050  
liquid fuel that is derived from vegetable oils or animal fats, 1051  
or any combination of those reagents, and that meets American 1052  
society for testing and materials specification D6751-03a for 1053  
biodiesel fuel (B100) blend stock distillate fuels. 1054

(3) "Diesel fuel" and "gasoline" have the same meanings as 1055  
in section 5735.01 of the Revised Code. 1056

(4) "Ethanol" means fermentation ethyl alcohol derived 1057  
from agricultural products, including potatoes, cereal, grains, 1058  
cheese whey, and sugar beets; forest products; or other 1059  
renewable resources, including residue and waste generated from 1060  
the production, processing, and marketing of agricultural 1061  
products, forest products, and other renewable resources that 1062  
meet all of the specifications in the American society for 1063  
testing and materials (ASTM) specification D 4806-88 and is 1064  
denatured as specified in Parts 20 and 21 of Title 27 of the 1065  
Code of Federal Regulations. 1066

(5) "Blended biodiesel" means diesel fuel containing at 1067

least twenty per cent biodiesel by volume. 1068

(6) "Blended gasoline" means gasoline containing at least 1069  
eighty-five per cent ethanol by volume. 1070

(7) "Incremental cost" means either of the following: 1071

(a) The difference in cost between blended gasoline and 1072  
gasoline containing ten per cent or less ethanol at the time 1073  
that the blended gasoline is purchased; 1074

(b) The difference in cost between blended biodiesel and 1075  
diesel fuel containing two per cent or less biodiesel at the 1076  
time that the blended biodiesel is purchased. 1077

(B) For the purpose of improving the air quality in this 1078  
state, the director of housing and development ~~services~~ shall 1079  
establish an alternative fuel transportation program under which 1080  
the director may make grants and loans to businesses, nonprofit 1081  
organizations, public school systems, or local governments for 1082  
the purchase and installation of alternative fuel refueling or 1083  
distribution facilities and terminals, for the purchase and use 1084  
of alternative fuel, to pay the cost of fleet conversion, and to 1085  
pay the costs of educational and promotional materials and 1086  
activities intended for prospective alternative fuel consumers, 1087  
fuel marketers, and others in order to increase the availability 1088  
and use of alternative fuel. 1089

(C) The director, in consultation with the director of 1090  
agriculture, shall adopt rules in accordance with Chapter 119. 1091  
of the Revised Code that are necessary for the administration of 1092  
the alternative fuel transportation program. The rules shall 1093  
establish at least all of the following: 1094

(1) An application form and procedures governing the 1095  
application process for receiving funds under the program; 1096

(2) A procedure for prioritizing the award of grants and loans under the program. The procedures shall give preference to all of the following:

(a) Publicly accessible refueling facilities;

(b) Entities applying to the program that have secured funding from other sources, including, but not limited to, private or federal incentives;

(c) Entities that have presented compelling evidence of demand in the market in which the facilities or terminals will be located;

(d) Entities that have committed to utilizing purchased or installed facilities or terminals for the greatest number of years;

(e) Entities that will be purchasing or installing facilities or terminals for any type of alternative fuel.

(3) A requirement that the maximum incentive for the purchase and installation of an alternative fuel refueling or distribution facility or terminal be eighty per cent of the cost of the facility or terminal, except that at least twenty per cent of the total cost of the facility or terminal shall be incurred by the recipient and not compensated for by any other source;

(4) A requirement that the maximum incentive for the purchase of alternative fuel be eighty per cent of the cost of the fuel or, in the case of blended biodiesel or blended gasoline, eighty per cent of the incremental cost of the blended biodiesel or blended gasoline;

(5) Any other criteria, procedures, or guidelines that the

director determines are necessary to administer the program, 1125  
including fees, charges, interest rates, and payment schedules. 1126

(D) An applicant for a grant or loan under this section 1127  
that sells motor vehicle fuel at retail shall agree that if the 1128  
applicant receives funding, the applicant will report to the 1129  
director the gallon or gallon equivalent amounts of alternative 1130  
fuel the applicant sells at retail in this state for a period of 1131  
three years after the project is completed. 1132

The director shall enter into a written confidentiality 1133  
agreement with the applicant regarding the gallon or gallon 1134  
equivalent amounts sold as described in this division, and upon 1135  
execution of the agreement this information is not a public 1136  
record. 1137

(E) There is hereby created in the state treasury the 1138  
alternative fuel transportation fund. The fund shall consist of 1139  
money transferred to the fund under division (B) of section 1140  
125.836 of the Revised Code, money that is appropriated to it by 1141  
the general assembly, money as may be specified by the general 1142  
assembly from the advanced energy fund created by section 1143  
4928.61 of the Revised Code, and all money received from the 1144  
repayment of loans made from the fund or in the event of a 1145  
default on any such loan. Money in the fund shall be used to 1146  
make grants and loans under the alternative fuel transportation 1147  
program and by the director in the administration of that 1148  
program. 1149

**Sec. 122.077.** For the purpose of promoting the use of 1150  
energy efficient products to reduce greenhouse gas emissions in 1151  
this state, the director of housing and development shall 1152  
establish an energy star rebate program under which the director 1153  
may provide rebates to consumers for household devices carrying 1154



the energy star label indicating that the device meets the 1155  
energy efficiency criteria of the energy star program 1156  
established by the United States department of energy and the 1157  
United States environmental protection agency. The director 1158  
shall adopt rules under Chapter 119. of the Revised Code that 1159  
are necessary for successful and efficient administration of the 1160  
energy star rebate program and shall specify in the rules that 1161  
grant availability is limited to federal stimulus funds or any 1162  
other funds specifically appropriated for such a program. 1163

**Sec. 122.08.** (A) There is hereby created within the 1164  
department of housing and development ~~services agency~~ an office 1165  
to be known as the office of small business and 1166  
entrepreneurship. The office shall be under the supervision of a 1167  
manager appointed by the director of housing and development 1168  
~~services~~. 1169

(B) The office shall do all of the following: 1170

(1) Act as liaison between the small business community 1171  
and state governmental agencies; 1172

(2) Furnish information and technical assistance to 1173  
persons and small businesses concerning the establishment and 1174  
maintenance of a small business, and concerning state laws and 1175  
rules relevant to the operation of a small business. In 1176  
conjunction with these duties, the office shall keep a record of 1177  
all proposed and currently effective state agency rules 1178  
affecting small businesses, and may testify before the joint 1179  
committee on agency rule review concerning any proposed rule 1180  
affecting small businesses. 1181

(3) Prepare and publish the small business register under 1182  
section 122.081 of the Revised Code; 1183

(4) Receive complaints from small businesses concerning 1184  
governmental activity, compile and analyze those complaints, and 1185  
periodically make recommendations to the governor and the 1186  
general assembly on changes in state laws or agency rules needed 1187  
to eliminate burdensome and unproductive governmental regulation 1188  
to improve the economic climate within which small businesses 1189  
operate; 1190

(5) Receive complaints or questions from small businesses 1191  
and direct those businesses to the appropriate governmental 1192  
agency. If, within a reasonable period of time, a complaint is 1193  
not satisfactorily resolved or a question is not satisfactorily 1194  
answered, the office shall, on behalf of the small business, 1195  
make every effort to secure a satisfactory result. For this 1196  
purpose, the office may consult with any state governmental 1197  
agency and may make any suggestion or request that seems 1198  
appropriate. 1199

(6) Utilize, to the maximum extent possible, the printed 1200  
and electronic media to disseminate information of current 1201  
concern and interest to the small business community and to make 1202  
known to small businesses the services available through the 1203  
office. The office shall publish such books, pamphlets, and 1204  
other printed materials, and shall participate in such trade 1205  
association meetings, conventions, fairs, and other meetings 1206  
involving the small business community, as the manager considers 1207  
appropriate. 1208

(7) Prepare a description of the activities of the office 1209  
for inclusion in the ~~development services agency's~~ department's 1210  
annual report to the governor and general assembly; 1211

(8) Operate the Ohio first-stop business connection to 1212  
assist individuals in identifying and preparing applications for 1213

business licenses, permits, and certificates and to serve as a 1214  
public distributor for all forms, applications, and other 1215  
information related to business licensing. Each state agency, 1216  
board, and commission shall cooperate in providing assistance, 1217  
information, and materials to enable the connection to perform 1218  
its duties under this division. 1219

(9) Provide information to individuals about the resources 1220  
available on the OhioMeansJobs web site and through the local 1221  
OhioMeansJobs one-stop systems established under section 6301.08 1222  
of the Revised Code that connect businesses with job seekers. As 1223  
used in this division, "OhioMeansJobs" has the same meaning as 1224  
in section 6301.01 of the Revised Code. 1225

(C) The office may, upon the request of a state agency, 1226  
assist the agency with the preparation of any rule that will 1227  
affect small businesses. 1228

(D) The director of housing and development ~~services~~ shall 1229  
assign employees and furnish equipment and supplies to the 1230  
office as the director considers necessary for the proper 1231  
performance of the duties assigned to the office. 1232

**Sec. 122.081.** (A) The office of small business and 1233  
entrepreneurship in the department of housing and development 1234  
~~services agency~~ shall prepare and publish a "small business 1235  
register" or contract with any person as provided in this 1236  
section to prepare and publish the register. The small business 1237  
register shall contain the following information regarding each 1238  
proposed rule recorded by the office of small business and 1239  
entrepreneurship: 1240

(1) The title and administrative code rule number of the 1241  
proposed rule; 1242

(2) A brief summary of the proposed rule; 1243

(3) The date on which the proposed rule was recorded by 1244  
the office of small business and entrepreneurship; and 1245

(4) The name, address, and telephone number of an 1246  
individual or office within the ~~agency~~department that proposed 1247  
the rule who can provide information about the proposed rule. 1248

(B) The small business register shall be published on a 1249  
weekly basis. The information required under division (A) of 1250  
this section shall be published in the register no later than 1251  
two weeks after the proposed rule to which the information 1252  
relates is recorded by the office of small business and 1253  
entrepreneurship. The office shall furnish the small business 1254  
register, on a single copy or subscription basis, to any person 1255  
who requests it and pays a single copy price or subscription 1256  
rate fixed by the office. The office shall furnish the 1257  
chairpersons of the standing committees of the senate and house 1258  
of representatives having jurisdiction over small businesses 1259  
with free subscriptions to the small business register. 1260

(C) Upon the request of the office of small business and 1261  
entrepreneurship, the director of administrative services shall, 1262  
in accordance with the competitive selection procedure of 1263  
Chapter 125. of the Revised Code, let a contract for the 1264  
compilation, printing, and distribution of the small business 1265  
register. 1266

(D) The office of small business and entrepreneurship 1267  
shall adopt, and may amend or rescind, in accordance with 1268  
Chapter 119. of the Revised Code, such rules as are necessary to 1269  
enable it to properly carry out this section. 1270

**Sec. 122.082.** The department of housing and development 1271

shall provide for low-interest loans to small businesses, as 1272  
defined by rules adopted pursuant to the "Small Business Act," 1273  
72 Stat. 384 (1972), 15 U.S.C.A. 632, as amended, that are 1274  
engaged in the export of goods produced in this state. In 1275  
carrying out the purposes of this section, the department shall 1276  
develop operating procedures that are essentially the same as 1277  
those of the United States export-import bank. 1278

**Sec. 122.083.** (A) The director of housing and development 1279  
shall administer a shovel ready sites program to provide grants 1280  
for projects to port authorities and development entities 1281  
approved by the director. Grants may be used to pay the costs of 1282  
any or all of the following: 1283

(1) Acquisition of property, including options; 1284

(2) Preparation of sites, including brownfield clean-up 1285  
activities; 1286

(3) Construction of road, water, telecommunication, and 1287  
utility infrastructure; 1288

(4) Payment of professional fees the amount of which shall 1289  
not exceed twenty per cent of the grant amount for a project. 1290

(B) The director shall adopt rules in accordance with 1291  
Chapter 119. of the Revised Code that establish procedures and 1292  
requirements necessary for the administration of the program, 1293  
including a requirement that a recipient of a grant enter into 1294  
an agreement with the director governing the use of the grant. 1295

**Sec. 122.085.** As used in sections 122.085 to 122.0820 of 1296  
the Revised Code: 1297

(A) (1) "Allowable costs" includes costs related to the 1298  
following: 1299

|  |  |
|--|--|
| (a) Acquisition of land and buildings;   | 1300   |
| (b) Building construction;   | 1301   |
| (c) Making improvements to land and buildings, including<br>the following:   | 1302<br>1303                                 |
| (i) Expanding, reconstructing, rehabilitating, remodeling,<br>renovating, enlarging, modernizing, equipping, and furnishing<br>buildings and structures, including leasehold improvements;   | 1304<br>1305<br>1306                         |
| (ii) Site preparation, including wetland mitigation.   | 1307   |
| (d) Planning or determining feasibility or practicability;   | 1308   |
| (e) Indemnity or surety bonds and premiums on insurance;   | 1309   |
| (f) Remediation, in compliance with state and federal<br>environmental protection laws, of environmentally contaminated<br>property on which hazardous substances exist under conditions<br>that have caused or would likely cause the property to be<br>identified as contaminated by the Ohio environmental protection<br>agency or the United States environmental protection agency; | 1310<br>1311<br>1312<br>1313<br>1314<br>1315 |
| (g) Infrastructure improvements, including the following:  | 1316   |
| (i) Demolition of buildings and other structures;  | 1317   |
| (ii) Installation or relocation of water, storm water and<br>sanitary sewer lines, water and waste water treatment<br>facilities, pump stations, and water storage mechanisms and<br>other similar equipment or facilities;  | 1318<br>1319<br>1320<br>1321                 |
| (iii) Construction of roads, bridges, traffic control<br>devices, and parking lots and facilities;   | 1322<br>1323                                 |
| (iv) Construction of utility infrastructure such as<br>natural gas, electric, and telecommunications, including<br>broadband and hookups;  | 1324<br>1325<br>1326                         |

(v) Water and railway access improvements; 1327

(vi) Costs of professional services. 1328

(2) "Allowable costs" do not include administrative costs 1329  
assessed by or fees paid to the recipient of a grant. 1330

(B) "District public works integrating committees" means 1331  
those committees established under section 164.04 of the Revised 1332  
Code. 1333

(C) "Eligible applicant" includes any political 1334  
subdivision or ~~non-profit~~ nonprofit economic development 1335  
organization, and, with prior approval of the director of 1336  
housing and development, private, for-profit entities. "Eligible 1337  
applicant" does not include public or private institutions of 1338  
higher education. 1339

(D) "Eligible project" includes projects that, upon 1340  
completion, will be sites and facilities primarily intended for 1341  
commercial, industrial, or manufacturing use. "Eligible 1342  
projects" do not include sites and facilities intended primarily 1343  
for residential, retail, or government use. 1344

(E) "Professional services" includes legal, environmental, 1345  
archeological, engineering, architectural, surveying, design, or 1346  
other similar services performed in conjunction with an eligible 1347  
project. "Professional services" also includes designs, plans, 1348  
specifications, surveys, estimates of costs, and other work 1349  
products. 1350

**Sec. 122.086.** (A) There is hereby created the job ready 1351  
site program to provide grants to pay for allowable costs of 1352  
eligible applicants for eligible projects. The program shall be 1353  
administered by the department of housing and development. All 1354  
grants shall be awarded through one of the following two 1355

processes: 1356

(1) The annual competitive process under sections 122.087 1357  
to 122.0811, 122.0814, and 122.0815 of the Revised Code; 1358

(2) The discretionary process under sections 122.0812 to 1359  
122.0815 of the Revised Code. 1360

(B) The annual competitive process shall be administered 1361  
by the department of housing and development pursuant to rules 1362  
adopted by the director of housing and development under Chapter 1363  
119. of the Revised Code. The rules shall not establish criteria 1364  
that have the effect of excluding applications for grants from 1365  
any county of the state. 1366

(C) The discretionary process shall be administered by the 1367  
department of housing and development pursuant to guidelines 1368  
established by the director of housing and development. 1369

**Sec. 122.087.** The director of housing and development 1370  
shall establish an annual competitive process for making grants 1371  
described in section 122.086 of the Revised Code in accordance 1372  
with rules adopted under that section. At least two-thirds of 1373  
the amounts that may be distributed as grants each year under 1374  
the job ready site program shall be distributed under the annual 1375  
competitive process. 1376

**Sec. 122.088.** In order to be considered for a grant under 1377  
the annual competitive process, an eligible applicant shall fill 1378  
out an application provided by the department of housing and 1379  
development and shall file it with the district public works 1380  
integrating committee with jurisdiction over the area in which 1381  
the eligible project is located. 1382

**Sec. 122.089.** An eligible applicant shall provide all of 1383  
the following on the annual competitive process application: 1384



|  |                              |
|--|------------------------------|
| (A) Contact information for the eligible applicant;  | 1385                         |
| (B) A legal description of the property for which the grant is requested;  | 1386<br>1387                 |
| (C) A summary of the proposed eligible project that includes all of the following:   | 1388<br>1389                 |
| (1) A general description of the eligible project, including individuals, organizations, or other entities that will play a critical role in the implementation of the project;  | 1390<br>1391<br>1392         |
| (2) An explanation of the need for the eligible project, and the predicted economic impact;  | 1393<br>1394                 |
| (3) An explanation of the need for a grant from the job ready site program;  | 1395<br>1396                 |
| (4) The commitments required pursuant to division (A) (3) of section 122.0815 of the Revised Code.   | 1397<br>1398                 |
| (D) A detailed summary of costs for the eligible project, including supporting documents for cost estimates;   | 1399<br>1400                 |
| (E) Sources of funding for the eligible project, including documentation verifying the status of those funds;  | 1401<br>1402                 |
| (F) Summary results of preliminary engineering studies and environmental reviews, if any have been conducted;  | 1403<br>1404                 |
| (G) A comprehensive marketing plan detailing how the eligible project will be marketed upon completion, if appropriate;  | 1405<br>1406<br>1407         |
| (H) Copies of resolutions or ordinances related to the eligible project, including resolutions or ordinances adopted by the political subdivision with jurisdiction over the geographic area in which the eligible project is located; | 1408<br>1409<br>1410<br>1411 |

(I) Any other information the director of housing and 1412  
development requests on the application form. 1413

**Sec. 122.0810.** (A) Each application for a grant pursuant 1414  
to the annual competitive process received by a district public 1415  
works integrating committee shall be evaluated by the executive 1416  
committee of the district committee. In conducting the 1417  
evaluation, the executive committee shall determine whether the 1418  
application for the proposed eligible project is complete and 1419  
whether the project meets the requirements of section 122.0815 1420  
of the Revised Code. If the application is complete and the 1421  
eligible project meets the requirements of section 122.0815 of 1422  
the Revised Code, the executive committee shall prioritize the 1423  
eligible project pursuant to section 122.0816 of the Revised 1424  
Code and pursuant to local priorities, as those priorities are 1425  
determined by the executive committee, with all other eligible 1426  
projects with complete applications that meet the requirements 1427  
of section 122.0815 of the Revised Code. If the application is 1428  
incomplete or the project does not meet the requirements of 1429  
section 122.0815 of the Revised Code, the executive committee 1430  
shall notify the applicant of the deficiencies and the period of 1431  
time the applicant has to correct the deficiencies and submit 1432  
the corrections to the executive committee. Failure to correct 1433  
deficiencies within the time designated by the executive 1434  
committee shall disqualify the project from consideration for a 1435  
grant during the annual competitive process for that year. 1436

The executive committee, by the affirmative vote of a 1437  
majority of all its members, shall select up to three eligible 1438  
projects from the projects it has prioritized each year pursuant 1439  
to the annual competitive process. The executive committee shall 1440  
forward the applications and any accompanying information for 1441  
each of the selected eligible projects to the department of 1442

housing and development in the time and manner required by the 1443  
rules governing the annual competitive process for the job ready 1444  
site program. 1445

(B) For a district public works integrating committee that 1446  
does not have an executive committee, the full committee shall 1447  
perform the functions assigned to the executive committee under 1448  
section 122.0816 of the Revised Code and division (A) of this 1449  
section. 1450

(C) An executive committee, or a district committee that 1451  
does not have an executive committee, may appoint a working 1452  
group of committee members and staff to perform the functions of 1453  
those committees as provided in this section. 1454

**Sec. 122.0811.** The department of housing and development 1455  
shall evaluate each eligible project selected pursuant to 1456  
section 122.0810 of the Revised Code to determine whether the 1457  
application for the proposed eligible project is complete and 1458  
whether it meets the requirements of section 122.0815 of the 1459  
Revised Code. If the application is complete and the project 1460  
meets the requirements of section 122.0815 of the Revised Code, 1461  
the department shall notify the eligible applicant that the 1462  
application is complete and shall prioritize the eligible 1463  
project pursuant to section 122.0816 of the Revised Code with 1464  
all other eligible projects with complete applications that meet 1465  
the requirements. If the application is incomplete or the 1466  
project does not meet the requirements of section 122.0815 of 1467  
the Revised Code, the department shall notify the applicant of 1468  
the deficiencies and the period of time the applicant has to 1469  
correct the deficiencies and submit the corrections to the 1470  
department. Failure to correct deficiencies within the time 1471  
designated by the department shall disqualify the project from 1472

consideration for a grant during the annual competitive process 1473  
for that year. 1474

The director, on completion of the evaluations and 1475  
prioritization, shall make a recommendation to the controlling 1476  
board asking for approval to make grants for the eligible 1477  
projects selected by the director. The director shall take into 1478  
consideration the geographic diversity of awards when making the 1479  
selection of eligible projects to receive grants. 1480

**Sec. 122.0812.** The director of housing and development 1481  
shall establish a discretionary process that permits the 1482  
director to make grants described in section 122.086 of the 1483  
Revised Code in situations that include those in which the 1484  
timing of a proposed eligible project is such that the annual 1485  
competitive process is not suitable. The director, as part of 1486  
the guidelines established for the discretionary process for the 1487  
job ready site program, shall establish all the procedures and 1488  
requirements governing application for the discretionary grants. 1489

**Sec. 122.0813.** On receipt of an application for a 1490  
discretionary grant for an eligible project, the director of 1491  
housing and development shall evaluate it to determine whether 1492  
the application for the proposed eligible project is complete 1493  
and whether the eligible project meets the requirements of 1494  
section 122.0815 of the Revised Code. If the application is 1495  
complete and the project meets the requirements of section 1496  
122.0815 of the Revised Code, the director shall make a 1497  
recommendation to the controlling board asking for approval to 1498  
make the discretionary grant for the eligible project. If the 1499  
application is incomplete or the project does not meet the 1500  
requirements of section 122.0815 of the Revised Code, the 1501  
department shall notify the applicant of the deficiencies and 1502

work with the applicant to correct the deficiencies. If the 1503  
deficiencies are corrected, the director shall make a 1504  
recommendation to the controlling board asking for approval to 1505  
make the discretionary grant for the eligible project. 1506

**Sec. 122.0814.** If the controlling board approves a grant 1507  
for an eligible project pursuant to the annual competitive 1508  
process or the discretionary process, the director of housing 1509  
and development shall enter into an agreement with the eligible 1510  
applicant to provide the grant for the project. The agreement 1511  
shall be executed prior to the payment or disbursement of any 1512  
funds under the grant and shall contain the following 1513  
provisions: 1514

(A) A designation of a single officer or employee of the 1515  
eligible applicant who will serve as the manager of the eligible 1516  
project; 1517

(B) A detailed description of the scope of the work 1518  
required under the eligible project, including anticipated 1519  
sources and uses of funds; 1520

(C) A designation of the percentage of the estimated total 1521  
cost of the project for which the grant will provide funding, 1522  
which shall not exceed seventy-five per cent of the cost; 1523

(D) Provisions for the recovery by the department of 1524  
housing and development of grant funds for failure to meet the 1525  
terms of the agreement; 1526

(E) A requirement that annual reports be made by the 1527  
eligible applicant on the progress of the eligible project and 1528  
any other information about the status of the project as 1529  
required by the guidelines and rules established for the job 1530  
ready site program; 1531

(F) Any other provisions the director determines 1532  
necessary. 1533

**Sec. 122.0815.** (A) A project shall meet the following 1534  
requirements in order to be considered for a grant under the 1535  
annual competitive process: 1536

(1) The application for the grant is made by an eligible 1537  
applicant. 1538

(2) The project for which the application is made is an 1539  
eligible project. 1540

(3) The eligible applicant commits to all the following: 1541

(a) To use the grant to pay only allowable costs for the 1542  
eligible project; 1543

(b) Not to use the grant to fund more than seventy-five 1544  
per cent of the total cost of the eligible project; 1545

(c) Not to use more than ten per cent of the grant amount 1546  
to pay the costs of professional services under the eligible 1547  
project. 1548

(4) The grant amount requested does not exceed five 1549  
million dollars. 1550

(5) The eligible applicant and the eligible project comply 1551  
with any other criteria the director of housing and development 1552  
determines is necessary. 1553

(B) A project shall meet the requirements described in 1554  
divisions (A) (1) to (4) of this section in order to be 1555  
considered for a grant under the discretionary process. 1556

**Sec. 122.0816.** The department of housing and development 1557  
and the executive committees of district public works 1558

integrating committees shall apply the following factors to 1559  
eligible projects under the annual competitive process to 1560  
determine a priority order for the eligible projects subject to 1561  
that process: 1562

(A) The potential economic impact of the eligible project; 1563

(B) The potential impact of the eligible project on 1564  
economic distress; 1565

(C) The amount of local, federal, and private funding 1566  
available for the eligible project; 1567

(D) The demonstrated need for the eligible project; 1568

(E) The strength of the eligible project's marketing plan, 1569  
if appropriate; 1570

(F) The level of financial need; 1571

(G) Any other factor the director of housing and 1572  
development determines should be considered. 1573

**Sec. 122.0817.** In accordance with the guidelines 1574  
established to govern the discretionary process and the rules 1575  
adopted to govern the annual competitive process for the job 1576  
ready site program, the director of housing and development 1577  
shall publish an annual report that includes the following: 1578

(A) Details on each grant awarded pursuant to the program; 1579

(B) The status of projects funded in previous years; 1580

(C) The amount of grants awarded for projects in 1581  
economically distressed areas and, to the extent possible, the 1582  
impact of those grants in those areas. 1583

**Sec. 122.09.** (A) As used in this section: 1584

(1) "Development costs" means expenditures paid or 1585  
incurred by the property owner in completing a certified 1586  
transformational mixed use development project, including 1587  
architectural or engineering fees paid or incurred in connection 1588  
with the project and expenses incurred before the date the 1589  
project is certified by the tax credit authority under division 1590  
(C) of this section. In the case of a certified transformational 1591  
mixed use development project that is part of a larger 1592  
contiguous project that is planned to be completed in phases, 1593  
"development costs" include only expenditures associated with 1594  
the portion of the project that is certified by the tax credit 1595  
authority and do not include expenditures incurred for other 1596  
phases of the project. 1597

(2) "Owner" means a person or persons holding a fee simple 1598  
or leasehold interest in real property, including interests in 1599  
real property acquired through a capital lease arrangement. 1600  
"Owner" does not include the state or a state agency, or any 1601  
political subdivision as defined in section 9.23 of the Revised 1602  
Code. For the purpose of this division, "fee simple interest," 1603  
"leasehold interest," and "capital lease" shall be construed in 1604  
accordance with generally accepted accounting principles. 1605

(3) "Transformational mixed use development" means a 1606  
project that consists of new construction or the redevelopment, 1607  
rehabilitation, expansion, or other improvement of vacant 1608  
buildings or structures, or a combination of the foregoing, and 1609  
that: 1610

(a) Will have a transformational economic impact on the 1611  
development site and the surrounding area; 1612

(b) Integrates some combination of retail, office, 1613  
residential, recreation, structured parking, and other similar 1614



uses into one mixed use development; and 1615

(c) Satisfies one of the following criteria: 1616

(i) If the development site is located within ten miles of 1617  
a major city, the project includes at least one new or 1618  
previously vacant building that is fifteen or more stories in 1619  
height or has a floor area of at least three hundred fifty 1620  
thousand square feet, or after completion will be the site of 1621  
employment accounting for at least four million dollars in 1622  
annual payroll, or includes two or more buildings that are 1623  
connected to each other, are located on the same parcel or on 1624  
contiguous parcels, and that collectively have a floor area of 1625  
at least three hundred fifty thousand square feet; 1626

(ii) If the development site is not located within ten 1627  
miles of a major city, the project includes at least one new or 1628  
previously vacant building that is two or more stories in height 1629  
or has a floor area of at least seventy-five thousand square 1630  
feet or two or more new buildings that are located on the same 1631  
parcel or on contiguous parcels and that collectively have a 1632  
floor area of at least seventy-five thousand square feet. 1633

"Transformational mixed use development" may include a 1634  
portion of a larger contiguous project that is planned to be 1635  
completed in phases as long as the phases collectively meet the 1636  
criteria described in division (A)(3) of this section. 1637

(4) "Increase in tax collections" means the difference, if 1638  
positive, of the amount of state and local taxes derived from 1639  
economic activity occurring within the development site and the 1640  
surrounding area during a period of time minus the amount of 1641  
such taxes that are estimated to be derived from such economic 1642  
activity in that site and surrounding area during the same 1643

period if the transformational mixed use project were not 1644  
completed. 1645

(5) "Completion period" means the time period beginning on 1646  
the day after a transformational mixed use development is 1647  
certified by the tax credit authority and ending on the fifth 1648  
anniversary of the day the project is completed. 1649

(6) "Insurance company" means a person subject to the tax 1650  
imposed under section 5725.18 or 5729.03 of the Revised Code. 1651

(7) "Contribute capital" means to invest, loan, or donate 1652  
cash in exchange for an equity interest in an asset, a debt 1653  
instrument, or no consideration. 1654

(8) "Major city" means a municipal corporation that has a 1655  
population greater than one hundred thousand. 1656

(9) "Tax credit authority" means the tax credit authority 1657  
created under section 122.17 of the Revised Code. 1658

(10) "Adjusted development costs" means the development 1659  
costs attributed to a complete transformational mixed use 1660  
development project minus the sum of the capital contributions 1661  
of any insurance companies that are preliminarily approved for a 1662  
tax credit in connection with the same project. 1663

(11) A "property owner's share" of the increase in tax 1664  
collections equals the product obtained by multiplying the total 1665  
increase in tax collections since the date the transformational 1666  
mixed use development project was certified by a fraction, the 1667  
numerator of which is the adjusted development costs and the 1668  
denominator of which is the actual development costs attributed 1669  
to the project. 1670

(12) An "insurance company's share" of the increase in tax 1671

collections equals the product obtained by multiplying the total 1672  
increase in tax collections since the date the transformational 1673  
mixed use development project was certified by a fraction, the 1674  
numerator of which is the insurance company's capital 1675  
contribution to the project and the denominator of which is the 1676  
actual development costs attributed to the project. 1677

(B) The owner of one or more parcels of land in this state 1678  
within which a transformational mixed use development is planned 1679  
or an insurance company that contributes capital to be used in 1680  
the planning or construction of such a development may apply to 1681  
the tax credit authority for certification of the development 1682  
and preliminary approval of a tax credit. Each application shall 1683  
be filed in the form and manner prescribed by the director of 1684  
housing and development and shall, at minimum, include a 1685  
development plan comprised of all of the following information: 1686

(1) The location of the development site and an indication 1687  
of whether it is located within ten miles of a major city; 1688

(2) A detailed description of the proposed 1689  
transformational mixed use development including site plans, 1690  
construction drawings, architectural renderings, or other means 1691  
sufficient to convey the appearance, size, purposes, capacity, 1692  
and scope of the project and, if applicable, previously 1693  
completed and future phases of the project; 1694

(3) A viable financial plan that estimates the development 1695  
costs that have been or will be incurred in the completion of 1696  
the project and that designates a source of financing or a 1697  
strategy for obtaining financing; 1698

(4) An estimated schedule for the progression and 1699  
completion of the project including, if applicable, previously 1700

completed and future phases of the project; 1701

(5) An assessment of the projected economic impact of the 1702  
project on the development site and the surrounding area; 1703

(6) Evidence that the increase in tax collections during 1704  
the completion period will exceed ten per cent of the estimated 1705  
development costs reported under division (B) (3) of this 1706  
section; 1707

(7) If the applicant is an insurance company that is not 1708  
the property owner, the amount of the insurance company's 1709  
capital contribution to the development and the date on which it 1710  
was or will be made; 1711

(8) Evidence that the project will not be completed unless 1712  
the applicant receives the credit. 1713

(C) (1) In determining whether to certify a project that is 1714  
the subject of an application submitted under division (B) of 1715  
this section, the tax credit authority shall consider the 1716  
potential impact of the transformational mixed use development 1717  
on the development site and the surrounding area in terms of 1718  
architecture, accessibility to pedestrians, retail entertainment 1719  
and dining sales, job creation, property values, connectivity, 1720  
and revenue from sales, income, lodging, and property taxes. The 1721  
tax credit authority shall not certify a project unless it 1722  
satisfies the following conditions: 1723

(a) The project qualifies as a transformational mixed use 1724  
development and satisfies all other criteria prescribed by this 1725  
section or by rule of the director of housing and development; 1726

(b) The estimated increase in tax collections during the 1727  
completion period exceeds ten per cent of the estimated 1728  
development costs for the project reported under division (B) (3) 1729

of this section; 1730

(c) The project will not be completed unless the applicant 1731  
receives the credit; 1732

(d) If the development site is located within ten miles of 1733  
a major city, the estimated development costs to complete the 1734  
project plus, if applicable, the estimated expenditures that 1735  
have been or will be incurred to complete all other contiguous 1736  
phases of the project, exceed fifty million dollars. 1737

In making its determination of whether or not to approve 1738  
an application, the tax credit authority may conduct an 1739  
interview of the applicant. 1740

(2) If the tax credit authority approves an application, 1741  
the authority shall issue a statement certifying the associated 1742  
transformational mixed use development project and preliminarily 1743  
approving a tax credit. The statement shall stipulate that 1744  
receipt of a tax credit certificate is contingent upon 1745  
completion of the transformational mixed use development as 1746  
described in the development plan. The statement shall specify 1747  
the estimated amount of the tax credit, but state that the 1748  
amount of the credit is dependent upon determination of the 1749  
actual development costs attributed to the project and, unless 1750  
the tax credit authority grants a request by the property owner 1751  
under division (F) of this section, of the increase in tax 1752  
collections during the completion period. 1753

(3) Except as otherwise provided in this division, if the 1754  
applicant is an insurance company that is not the property 1755  
owner, the estimated amount of the tax credit shall equal ten 1756  
per cent of the insurance company's capital contribution to the 1757  
project as reported in the development plan pursuant to division 1758

(B) (7) of this section. Except as otherwise provided in this 1759  
division, if the applicant is the property owner, the estimated 1760  
amount of the tax credit shall equal ten per cent of the 1761  
estimated development costs for the project as reported in the 1762  
development plan pursuant to division (B) (3) of this section 1763  
minus any estimated credit amounts that have been preliminarily 1764  
approved for insurance companies contributing capital to the 1765  
project. The estimated credit amounts may be reduced by the tax 1766  
credit authority as a condition of certifying the project if 1767  
such a reduction is necessary to comply with the limitations on 1768  
the amount of credits that may be preliminarily approved as 1769  
prescribed by division (C) (5) of this section. The estimated 1770  
credit amounts shall not be adjusted after the statement 1771  
described in division (C) (2) of this section has been issued. 1772

(4) If the tax credit authority denies an application, the 1773  
authority shall notify the applicant of the reason or reasons 1774  
for such determination. The authority's determination is final, 1775  
but an applicant may revise and resubmit a previously denied 1776  
application. 1777

(5) (a) The tax credit authority shall not certify any 1778  
transformational mixed use development projects after June 30, 1779  
2025. 1780

(b) The tax credit authority may not preliminarily approve 1781  
more than one hundred million dollars of estimated tax credits 1782  
in each of fiscal years 2022, 2023, 2024, and 2025. 1783

(c) Not more than eighty million dollars of estimated tax 1784  
credits in each such fiscal year may be preliminarily approved 1785  
in connection with projects that are located within ten miles of 1786  
a major city. 1787

(d) Not more than forty million dollars of estimated tax 1788  
credits may be preliminarily approved in connection with the 1789  
same transformational mixed use development project. 1790

(6) If the dollar amount of tax credits applied for under 1791  
division (B) of this section in connection with projects that 1792  
are located within ten miles of a major city exceeds eighty 1793  
million dollars for a fiscal year, the tax credit authority 1794  
shall rank those applications and certify the associated 1795  
projects in order, starting with the project that presents the 1796  
best combination of economic value and transformational impact. 1797  
If the dollar amount of tax credits applied for in connection 1798  
with projects not located within ten miles of a major city 1799  
exceeds twenty million dollars for a fiscal year, the tax credit 1800  
authority shall rank those applications and certify the 1801  
associated projects in order, starting with the project that 1802  
presents the best combination of economic value and 1803  
transformational impact. In either case, the authority shall 1804  
consider the following factors in ranking the applications: 1805

(a) The projected increase in tax collections during the 1806  
completion period as a percentage of the total amount of 1807  
estimated tax credits that would be preliminarily approved in 1808  
connection with the project; 1809

(b) The economic impact of the project on the development 1810  
site and the surrounding area and the impact of the project in 1811  
terms of architecture, accessibility to pedestrians, retail 1812  
entertainment and dining sales, job creation, property values, 1813  
and connectivity; 1814

(c) The expeditiousness of the schedule for completing the 1815  
project, realizing the increase in tax collections, and 1816  
attaining the economic and other impacts on the development site 1817

and the surrounding area. 1818

(D) Within twelve months of the date a project is 1819  
certified, the property owner shall provide the tax credit 1820  
authority with an updated schedule for the progression and 1821  
completion of the project and documentation sufficient to 1822  
demonstrate that construction of the project has begun. If the 1823  
property owner does not provide the schedule and documentation 1824  
or if construction of the project has not begun within the time 1825  
prescribed by this division, the tax credit authority shall 1826  
rescind certification of the project and send notice of the 1827  
rescission to the property owner and each insurance company that 1828  
is preliminarily approved for a tax credit in connection with 1829  
the project. A property owner that receives notice of rescission 1830  
may submit a new application concerning the same project under 1831  
division (B) of this section. 1832

(E) An applicant that is the property owner and is 1833  
preliminarily approved for a tax credit under this section may 1834  
sell or transfer the rights to that credit to one or more 1835  
persons for the purpose of raising capital for the certified 1836  
project. The applicant shall notify the tax credit authority 1837  
upon selling or transferring the rights to the credit. The 1838  
notice shall identify the person or persons to which the credit 1839  
was sold or transferred and the credit amount sold or 1840  
transferred to each such person. Only an applicant that owns the 1841  
property may sell or transfer a credit under this division. A 1842  
credit may be divided among multiple purchasers through more 1843  
than one transaction but once a particular credit amount is 1844  
acquired by a person other than the applicant it may not be sold 1845  
or transferred again. 1846

(F) After a transformational mixed use development project 1847



is certified and before it is completed, the property owner may 1848  
request that the value of the tax credit certificates awarded in 1849  
connection with the project be computed using the alternative 1850  
method described in division (I) of this section. The tax credit 1851  
authority shall grant the request if the authority determines, 1852  
and a third party engaged by the authority at the expense of the 1853  
property owner affirms, that it is reasonably certain that the 1854  
increase in tax collections will exceed ten per cent of the 1855  
estimated development costs within one year after the project is 1856  
completed. Otherwise, the authority shall deny the request and 1857  
the amount of each credit awarded in connection with the project 1858  
shall be computed under division (H) of this section. The 1859  
authority's determination under this division shall be delivered 1860  
in writing and is final and not appealable. 1861

(G) (1) The property owner shall notify the tax credit 1862  
authority upon completion of a certified transformational mixed 1863  
use development project. The notification shall include a report 1864  
prepared by a third-party certified public accountant that 1865  
contains a detailed accounting of the actual development costs 1866  
attributed to the project. 1867

(2) Upon receiving such a notice, unless the tax credit 1868  
authority has previously granted a request by the property owner 1869  
under division (F) of this section, the authority shall 1870  
determine the increase in tax collections since the date the 1871  
project was certified by consulting with the tax commissioner 1872  
and with the tax administrator of any municipal corporation that 1873  
levies an income tax within the project site and the surrounding 1874  
area. The tax commissioner and the tax administrators that are 1875  
consulted pursuant to this division shall provide the tax credit 1876  
authority with any information that is necessary to determine 1877  
the increase in tax collections. 1878

(3) After determining the increase in tax collections 1879  
under division (G) (2) of this section, if required, and 1880  
computing the value of the tax credit under division (H) or (I) 1881  
of this section, as applicable, the tax credit authority shall 1882  
issue a tax credit certificate to each applicant that is 1883  
preliminarily approved for a credit associated with the project 1884  
or to the person or persons to which such an applicant sold or 1885  
transferred the rights to the credit under division (E) of this 1886  
section. If the amount of the tax credit awarded to the property 1887  
owner is less than the credit amount estimated under division 1888  
(C) of this section and the property owner sold or transferred 1889  
the rights to the credit, the tax credit authority shall reduce 1890  
the amount of each tax credit certificate issued to each 1891  
purchaser or recipient on a pro rata basis unless the property 1892  
owner requests an alternative allocation of the credit. 1893

(H) (1) Unless the tax credit authority granted a request 1894  
by the property owner under division (F) of this section, the 1895  
aggregate value of the tax credit certificates issued under 1896  
division (G) of this section to the property owner and to any 1897  
persons to whom the property owner sold or transferred the 1898  
rights to the credit shall equal the lesser of the following: 1899

(a) Ten per cent of the adjusted development costs; 1900

(b) Five per cent of the adjusted development costs plus 1901  
any amount by which the property owner's share of the increase 1902  
in tax collections since the date the project was certified 1903  
exceeds five per cent of the adjusted development costs; 1904

(c) The estimated credit amount specified in the tax 1905  
credit authority's statement certifying the project and 1906  
preliminarily approving the tax credit under division (C) of 1907  
this section. 1908

(2) The value of a tax credit certificate issued under 1909  
division (G) of this section to an insurance company that 1910  
contributed capital to the project shall equal the lesser of the 1911  
following: 1912

(a) Ten per cent of the insurance company's actual capital 1913  
contribution; 1914

(b) Five per cent of such capital contribution plus any 1915  
amount by which the insurance company's share of the increase in 1916  
tax collections since the date the project was certified exceeds 1917  
five per cent of the insurance company's capital contribution; 1918

(c) The estimated credit amount specified in the tax 1919  
credit authority's statement certifying the project and 1920  
preliminarily approving the tax credit under division (C) of 1921  
this section. 1922

(I) If the tax credit authority granted a request by the 1923  
property owner under division (F) of this section, the value of 1924  
the tax credit certificates issued in connection with the 1925  
transformational mixed use development project shall be computed 1926  
as follows: 1927

(1) For the property owner or any person to which the 1928  
property owner sold or transferred the rights to the credit, ten 1929  
per cent of the actual development costs attributed to the 1930  
project. If the amount of the credit is less than the credit 1931  
amount estimated under division (C) of this section and the 1932  
property owner sold or transferred the rights to the credit to 1933  
more than one person, the authority shall reduce the amount of 1934  
each tax credit certificate on a pro rata basis unless the 1935  
property owner requests an alternative allocation of the credit. 1936

(2) For an insurance company that contributed capital to 1937

the project, ten per cent of the insurance company's actual 1938  
capital contribution. 1939

(J) If the value of a tax credit certificate was computed 1940  
under division (H) of this section for a project, the property 1941  
owner, on or before the thirtieth day following the first, 1942  
second, third, fourth, and fifth anniversaries of the date the 1943  
certified transformational mixed use development project is 1944  
completed, may request in writing that the tax credit authority 1945  
update the increase in tax collections during the completion 1946  
period. Upon receiving such a request, the tax credit authority 1947  
shall update the increase in tax collections in the same manner 1948  
described by division (G) of this section. If the tax credit 1949  
authority determines that the value of the tax credit 1950  
certificates computed under division (H) of this section would 1951  
be greater if computed based on the updated increase in tax 1952  
collections, the authority shall issue an additional tax credit 1953  
certificate to each person that previously received a 1954  
certificate for the project under those divisions. The value of 1955  
each additional tax credit certificate shall equal the amount by 1956  
which the tax credit certificate computed under division (H) of 1957  
this section upon completion of the project would have been 1958  
greater had the value of such certificate been computed based on 1959  
the updated increase in tax collections, less the value of any 1960  
additional tax credit certificates previously issued under this 1961  
division to the same person respecting the same project. 1962

(K) The aggregate value of all tax credit certificates 1963  
issued under this section for the same transformational mixed 1964  
use development project shall not exceed (1) ten per cent of the 1965  
actual development costs of that project or (2) the sum of all 1966  
estimated credit amounts preliminarily approved by the tax 1967  
credit authority in connection with the project. 1968

(L) Issuance of a tax credit certificate under this 1969  
section does not represent a verification or certification by 1970  
the tax credit authority of the actual development costs of the 1971  
project or the capital contributions to the project by an 1972  
insurance company. Such amounts are subject to inspection and 1973  
examination by the superintendent of insurance. 1974

(M) Upon the issuance of a tax credit certificate under 1975  
division (G) or (J) of this section, the tax credit authority 1976  
shall certify to the superintendent of insurance (1) the name of 1977  
each person that was issued a tax credit certificate, (2) 1978  
whether the person is the property owner, an insurance company 1979  
that contributed capital to the development, or a person that 1980  
acquired the rights to the tax credit certificate from the 1981  
property owner, (3) the credit amount shown on each tax credit 1982  
certificate, and (4) any other information required by the rules 1983  
adopted under this section. A person that holds the rights to a 1984  
tax credit certificate issued under this section and that is an 1985  
insurance company may claim a tax credit under section 5725.35 1986  
or 5729.18 of the Revised Code. 1987

(N) The tax credit authority shall publish information 1988  
about each transformational mixed use development on the web 1989  
site of the department of housing and development not later than 1990  
the first day of August following certification of the project. 1991  
The tax credit authority shall update the published information 1992  
annually until the project is complete and the credit or credits 1993  
are fully claimed. The published information shall include all 1994  
of the following: 1995

(1) The location of the transformational mixed use 1996  
development and the name by which it is known; 1997

(2) The estimated schedule for progression and completion 1998

of the project included in the development plan pursuant to 1999  
division (B) (4) of this section; 2000

(3) The assessment of the projected economic impact of the 2001  
project included in the development plan pursuant to division 2002  
(B) (5) of this section; 2003

(4) The evidence supporting the estimated increase in tax 2004  
collections included in the development plan pursuant to 2005  
division (B) (6) of this section, except that the tax credit 2006  
authority may omit any proprietary or sensitive information 2007  
included in such evidence; 2008

(5) The estimated development costs that have been or will 2009  
be incurred in completion of the project and, if applicable, the 2010  
amount of the insurance company's capital contribution to the 2011  
development and the date on which it was made, as reported in 2012  
the development plan pursuant to divisions (B) (3) and (7) of 2013  
this section; 2014

(6) A copy of each report submitted to the tax credit 2015  
authority by the applicant under division (D) of this section. 2016

(O) The director, in accordance with Chapter 119. of the 2017  
Revised Code, shall adopt rules that establish all of the 2018  
following: 2019

(1) Forms and procedures by which applicants may apply for 2020  
a transformational investment tax credit, and any deadlines for 2021  
applying; 2022

(2) Criteria and procedures for reviewing, evaluating, 2023  
ranking, and approving applications within the limitations 2024  
prescribed by this section, including rules prescribing the 2025  
timing and frequency by which the tax credit authority must rank 2026  
applications and preliminarily approve tax credits under 2027

division (C) of this section; 2028

(3) Eligibility requirements for obtaining a tax credit 2029  
certificate under this section; 2030

(4) The form of the tax credit certificate; 2031

(5) Reporting requirements and monitoring procedures; 2032

(6) Procedures for computing the increase in tax 2033  
collections within the project site and the surrounding area; 2034

(7) Forms and procedures by which property owners may 2035  
request the alternative method of computing the value of tax 2036  
credit certificates under division (I) of this section that are 2037  
awarded in connection with a project and criteria for evaluating 2038  
and making a determination on such requests; 2039

(8) Any other rules necessary to implement and administer 2040  
this section. 2041

**Sec. 122.10.** Each department, bureau, institution, agency, 2042  
commission, or office of the state government, shall, upon 2043  
request, furnish to the department of housing and development 2044  
any information it has available. 2045

The department of housing and development shall cooperate 2046  
with each department, bureau, institution, agency, commission, 2047  
or office of the state government and shall furnish any 2048  
information it has available to such departments, bureaus, 2049  
institutions, agencies, commissions, or office upon their 2050  
request. 2051

The department shall coordinate its services and 2052  
activities with those of state departments, bureaus, agencies, 2053  
commissions, and offices to the fullest extent possible in order 2054  
to avoid duplication. 2055

**Sec. 122.11.** The director of housing and development may 2056  
employ and fix the compensation of technical and professional 2057  
personnel, who shall be in the unclassified civil service, and 2058  
may employ other personnel, who shall be in the classified civil 2059  
service, as necessary to carry out the provisions of sections 2060  
122.011 to 122.11, 122.17, and 122.18 of the Revised Code. 2061

**Sec. 122.121.** (A) A local organizing committee, endorsing 2062  
municipality, or endorsing county that has entered into a 2063  
joinder undertaking with a site selection organization may apply 2064  
to the director of housing and development~~services~~, on a form 2065  
and in the manner prescribed by the director, for a grant from 2066  
the sports event grant fund created under section 122.122 of the 2067  
Revised Code with respect to a game to which either of the 2068  
following applies: 2069

(1) The organization accepts competitive bids to host the 2070  
game. 2071

(2) The game is a one-time centennial commemoration of the 2072  
founding of a national football organization, association, or 2073  
league. 2074

The amount of the grant shall be based on the projected 2075  
incremental increase in the receipts from the tax imposed under 2076  
section 5739.02 of the Revised Code within the market area 2077  
designated under division (C) of this section, for the two-week 2078  
period that ends at the end of the day after the date on which 2079  
the game will be held, that is directly attributable, as 2080  
determined by the director, to the preparation for and 2081  
presentation of the game. The director shall determine the 2082  
projected incremental increase in the tax imposed under section 2083  
5739.02 of the Revised Code by using a formula approved by the 2084  
director in consultation with the tax commissioner. The 2085



application shall include an estimate of the committee's, 2086  
municipality's, or county's qualifying costs under the game 2087  
support contract. The local organizing committee, endorsing 2088  
municipality, or endorsing county is eligible to receive a grant 2089  
under this section only if the projected incremental increase in 2090  
receipts from the tax imposed under section 5739.02 of the 2091  
Revised Code, as determined by the director, exceeds two hundred 2092  
fifty thousand dollars. The amount of the grant shall be not 2093  
less than fifty per cent of the projected incremental increase 2094  
in receipts, as determined by the director, but shall not exceed 2095  
the lesser of two million dollars or the amount of the 2096  
committee's, municipality's, or county's qualifying costs under 2097  
the game support contract. The director shall disburse the grant 2098  
to the local organizing committee, endorsing municipality, or 2099  
endorsing county from the sports event grant fund. 2100

(B) If the director of housing and development ~~services~~ 2101  
approves an application for a local organizing committee, 2102  
endorsing municipality, or endorsing county and that local 2103  
organizing committee, endorsing municipality, or endorsing 2104  
county enters into a joinder agreement with a site selection 2105  
organization, the local organizing committee, endorsing 2106  
municipality, or endorsing county shall file a copy of the 2107  
joinder agreement with the director. The grant shall be used 2108  
exclusively by the local organizing committee, endorsing 2109  
municipality, or endorsing county to pay its qualifying costs 2110  
under the game support contract. 2111

(C) For the purposes of division (A) of this section, the 2112  
director of housing and development ~~services~~, in consultation 2113  
with the tax commissioner, shall designate the market area for a 2114  
game. The market area shall consist of the combined statistical 2115  
area, as defined by the United States office of management and 2116

budget, in which an endorsing municipality or endorsing county 2117  
is located. 2118

(D) A local organizing committee, endorsing municipality, 2119  
or endorsing county shall provide information required by the 2120  
director of housing and development ~~services~~ and tax 2121  
commissioner to enable the director and commissioner to fulfill 2122  
their duties under this section, including annual audited 2123  
statements of any financial records required by a site selection 2124  
organization; data obtained by the local organizing committee, 2125  
endorsing municipality, or endorsing county relating to 2126  
attendance at a game and to the economic impact of the game; and 2127  
financial records from the committee, municipality, or county 2128  
verifying its qualifying costs under the game support contract. 2129  
A local organizing committee, an endorsing municipality, or an 2130  
endorsing county shall provide an annual audited financial 2131  
statement if so required by the director and commissioner, not 2132  
later than the end of the fourth month after the date the period 2133  
covered by the financial statement ends. 2134

(E) Within thirty days after the game, the local 2135  
organizing committee, endorsing municipality, or endorsing 2136  
county shall certify to the director of housing and development 2137  
~~services~~ a statement of its qualifying costs under the game 2138  
support contract and a report about the economic impact of the 2139  
game. The certification shall be in the form and substance 2140  
required by the director, including, but not limited to, a final 2141  
income statement for the event showing total revenue and 2142  
expenditures and revenue and expenditures in the market area for 2143  
the game, and ticket sales for the game and any related 2144  
activities for which admission was charged. The director shall 2145  
determine, based on the reported information and the exercise of 2146  
reasonable judgment, the incremental increase in receipts from 2147

the tax imposed under section 5739.02 of the Revised Code 2148  
directly attributable to the game and the committee's, 2149  
municipality's, or county's qualifying costs under the game 2150  
support contract. If the actual incremental increase in sales 2151  
tax receipts is less than the projected incremental increase in 2152  
such receipts, or if the actual qualifying costs are less than 2153  
the estimated qualifying costs, the director may require the 2154  
local organizing committee, endorsing municipality, or endorsing 2155  
county to refund to the state all or a portion of the grant. Any 2156  
refund remitted under this division shall be credited to the 2157  
sports event grant fund. 2158

(F) No disbursement may be made under this section if the 2159  
director of housing and development ~~services~~ determines that it 2160  
would be used for the purpose of soliciting the relocation of a 2161  
professional sports franchise located in this state. 2162

(G) This section may not be construed as creating or 2163  
requiring a state guarantee of obligations imposed on an 2164  
endorsing municipality or endorsing county under a game support 2165  
contract or any other agreement relating to hosting one or more 2166  
games in this state. 2167

**Sec. 122.131.** There is hereby created the employee 2168  
ownership assistance program to be administered by the director 2169  
of housing and development. The director may employ any 2170  
professional and technical personnel and other employees that 2171  
are necessary to comply with sections 122.13 to 122.136 of the 2172  
Revised Code. The director shall assist an individual or group 2173  
of individuals, who seek assistance in the establishment of an 2174  
employee-owned corporation. The director shall inform local 2175  
government, business organizations, labor organizations, and 2176  
others in the state of the availability of the program and its 2177

services established pursuant to sections 122.13 to 122.136 of 2178  
the Revised Code. 2179

**Sec. 122.132.** The director of housing and development 2180  
shall do all of the following: 2181

(A) Develop, collect, and disseminate information useful 2182  
to individuals and organizations throughout the state in 2183  
undertaking or promoting the establishment and successful 2184  
operation of employee-owned corporations; 2185

(B) Assist in the evaluation of the feasibility and 2186  
economic vitality of employee-owned corporation proposals 2187  
received in the employee ownership assistance program; 2188

(C) Provide technical assistance and counseling services 2189  
to individuals who seek to form an employee-owned corporation; 2190

(D) Provide assistance and counseling in the operation of 2191  
an employee-owned corporation; 2192

(E) Assist individuals in obtaining financing for the 2193  
purchase and operation of an employee-owned corporation; 2194

(F) Promote and coordinate the efforts of local, state, 2195  
federal, or private organizations to assist in the formation or 2196  
operation of employee-owned corporations; 2197

(G) Recommend appropriate legislative or executive actions 2198  
to enhance opportunities for employee-owned corporations in this 2199  
state; 2200

(H) Prescribe all forms for assistance requests and 2201  
publish materials describing the employee ownership assistance 2202  
program's services; 2203

(I) Adopt rules under Chapter 119. of the Revised Code for 2204

the conduct of the employee ownership assistance program. 2205

**Sec. 122.133.** The director of housing and development 2206  
shall publicize the availability of the employee ownership 2207  
assistance program and its services to local governments and to 2208  
business and labor organizations and shall coordinate with local 2209  
governments, business and labor organizations, and other state 2210  
agencies in obtaining information relating to the possible 2211  
relocation of operations or closing of a business establishment. 2212

**Sec. 122.134.** If the director of housing and development 2213  
becomes aware that a business establishment is closing or 2214  
relocating operations, the director, pursuant to a request 2215  
received under section 122.135 of the Revised Code, may conduct 2216  
an initial study of the feasibility of the employees of the 2217  
business establishment establishing an employee-owned 2218  
corporation to continue the operations of the business 2219  
establishment, or to operate another business, and may hold an 2220  
informational meeting of representatives of the local community, 2221  
the business establishment, representatives of any employee 2222  
organization, and affected employees to explain the services 2223  
available from the department of housing and development 2224  
relative to the formation of an employee-owned corporation. 2225

**Sec. 122.135.** Any individual, group of individuals, 2226  
employees, organization of employees, or local community 2227  
affected by any closing or relocation of a business 2228  
establishment's operations or the proposed closing or relocation 2229  
of a business establishment's operations may request, in a 2230  
manner prescribed by the director of housing and development, 2231  
assistance in efforts to study the feasibility of the 2232  
establishment of an employee-owned corporation and any other 2233  
assistance the director may provide pursuant to sections 122.13 2234

to 122.136 of the Revised Code. 2235

**Sec. 122.136.** The director of housing and development 2236  
~~services~~ shall prepare and submit a report to the governor and 2237  
the general assembly annually on or before the first day of 2238  
August of the services and activities of the employee ownership 2239  
assistance program for the preceding calendar year. The director 2240  
shall include in the report information regarding the number, 2241  
names, and locations of business establishments that have been 2242  
or likely will be assisted as employee-owned corporations; 2243  
recommendations on how to better operate the program; 2244  
information regarding the effectiveness of the program in 2245  
maintaining and improving employment in the state; and the 2246  
number of individuals affected by the activities of the program. 2247

**Sec. 122.14.** (A) There is hereby created in the state 2248  
treasury the roadwork development fund. The fund shall consist 2249  
of the investment earnings of the security deposit fund created 2250  
by section 4509.27 of the Revised Code and revenue transferred 2251  
to it by the director of budget and management from the highway 2252  
operating fund created in section 5735.051 of the Revised Code. 2253  
The fund shall be used by the department of housing and 2254  
~~development services agency~~ in accordance with Section 5a of 2255  
Article XII, Ohio Constitution, to make road improvements 2256  
associated with retaining or attracting business for this state, 2257  
including both of the following: 2258

(1) Construction, reconstruction, maintenance, or repair 2259  
of public roads that provide access to a public airport or are 2260  
located within a public airport; 2261

(2) Construction, reconstruction, maintenance, or repair 2262  
of public roads that provide or improve access to tourism 2263  
attractions. 2264

(B) All investment earnings of the fund shall be credited 2265  
to the fund. 2266

**Sec. 122.15.** As used in this section and sections 122.151 2267  
to 122.156 of the Revised Code: 2268

(A) "Affiliate" means a person that directly, or 2269  
indirectly through one or more intermediaries, controls, is 2270  
controlled by, or is under common control with another person. 2271  
For the purposes of this division, a person is "controlled by" 2272  
another person if the controlling person holds, directly or 2273  
indirectly, the majority voting or ownership interest in the 2274  
controlled person or has control over the day-to-day operations 2275  
of the controlled person by contract or by law. 2276

(B) "Border county" means a county in this state that 2277  
borders another state. 2278

(C) "Closing date" means the date on which a rural 2279  
business growth fund has collected all of the amounts specified 2280  
by divisions (G)(1) and (2) of section 122.151 of the Revised 2281  
Code. 2282

(D) "Credit-eligible capital contribution" means an 2283  
investment of cash by a person subject to the tax imposed by 2284  
section 3901.86, 5725.18, 5729.03, or 5729.06 of the Revised 2285  
Code in a rural business growth fund that equals the amount 2286  
specified on a notice of tax credit allocation issued by the 2287  
department of housing and development under division (I)(1) of 2288  
section 122.151 of the Revised Code. The investment shall 2289  
purchase an equity interest in the fund or purchase, at par 2290  
value or premium, a debt instrument issued by the fund that 2291  
meets all of the following criteria: 2292

(1) The debt instrument has an original maturity date of 2293

at least five years after the date of issuance. 2294

(2) The debt instrument has a repayment schedule that is 2295  
not faster than a level principal amortization over five years. 2296

(3) The debt instrument has no interest, distribution, or 2297  
payment features dependent on the fund's profitability or the 2298  
success of the fund's growth investments. 2299

(E) "Eligible investment authority" means the amount 2300  
stated on the notice issued under division (F) of section 2301  
122.151 of the Revised Code certifying the rural business growth 2302  
fund. Sixty per cent of a fund's eligible investment authority 2303  
shall be comprised of credit-eligible capital contributions. 2304

(F) "Full-time equivalent employee" means the quotient 2305  
obtained by dividing the total number of hours for which 2306  
employees were compensated for employment over the preceding 2307  
twelve-month period by two thousand eighty. 2308

(G) "Growth investment" means any capital or equity 2309  
investment in a rural business concern or any loan to a rural 2310  
business concern with a stated maturity of at least one year. A 2311  
secured loan or the provision of a revolving line of credit to a 2312  
rural business concern is a growth investment only if the rural 2313  
business growth fund obtains an affidavit from the president or 2314  
chief executive officer of the rural business concern attesting 2315  
that the rural business concern sought and was denied similar 2316  
financing from a commercial bank. 2317

(H) "Operating company" means any business that has its 2318  
principal business operations in this state, has fewer than two 2319  
hundred fifty employees and not more than fifteen million 2320  
dollars in net income for the preceding taxable year, and that 2321  
is none of the following: 2322



|  |  |
|--|--|
| (1) A country club;  | 2323   |
| (2) A racetrack or other facility used for gambling;   | 2324   |
| (3) A store the principal purpose of which is the sale of<br>alcoholic beverages for consumption off premises;   | 2325<br>2326   |
| (4) A massage parlor;  | 2327   |
| (5) A hot tub facility;  | 2328   |
| (6) A suntan facility;   | 2329   |
| (7) A business engaged in the development or holding of<br>intangibles for sale;   | 2330<br>2331   |
| (8) A private or commercial golf course;   | 2332   |
| (9) A business that derives or projects to derive fifteen<br>per cent or more of its net income from the rental or sale of<br>real property, except any business that is a special purpose<br>entity principally owned by a principal user of that property<br>formed solely for the purpose of renting, either directly or<br>indirectly, or selling real property back to such principal user<br>if such principal user does not derive fifteen per cent or more<br>of its gross annual revenue from the rental or sale of real<br>property; | 2333<br>2334<br>2335<br>2336<br>2337<br>2338<br>2339<br>2340<br>2341 |
| (10) A publicly traded business.   | 2342   |
| For the purposes of this division, "net income" means<br>federal gross income as required to be reported under the<br>Internal Revenue Code less federal and state taxes imposed on or<br>measured by income.  | 2343<br>2344<br>2345<br>2346   |
| (I) "Population" means that shown by the most recent<br>decennial census or the most recent annual population estimate<br>published or released by the United States census bureau,  | 2347<br>2348<br>2349   |

whichever is more recent. 2350

(J) A business's "principal business operations" are in 2351  
this state if at least eighty per cent of the business's 2352  
employees reside in this state, the individuals who receive 2353  
eighty per cent of the business's payroll reside in this state, 2354  
or the business has agreed to use the proceeds of a growth 2355  
investment to relocate at least eighty per cent of its employees 2356  
to this state or pay at least eighty per cent of its payroll to 2357  
individuals residing in this state. For the purpose of growth 2358  
investments by a program two rural business growth fund, a 2359  
business's "principal business operations" are also in this 2360  
state if it is headquartered in a border county and at least 2361  
sixty-five per cent of the business's employees reside in this 2362  
state, the individuals who receive sixty-five per cent of the 2363  
business's payroll reside in this state, or the business has 2364  
agreed to use the proceeds of a growth investment to relocate at 2365  
least sixty-five per cent of its employees to this state or pay 2366  
at least sixty-five per cent of its payroll to individuals 2367  
residing in this state. 2368

(K) "Program one" refers to rural business growth funds 2369  
certified by the department of housing and development under 2370  
section 122.151 of the Revised Code before ~~the effective date of~~ 2371  
~~this amendment~~ September 30, 2021. 2372

(L) "Program two" refers to rural business growth funds 2373  
certified by the department of housing and development under 2374  
section 122.151 of the Revised Code on or after ~~the effective~~ 2375  
~~date of this amendment~~ September 30, 2021. 2376

(M) "Rural area" means any county in this state having a 2377  
population less than two hundred thousand. 2378

(N) "Rural business concern" means an operating company 2379  
that has its principal business operations located in a rural 2380  
area. 2381

(O) "Rural business growth fund" and "fund" mean an entity 2382  
certified by the department of housing and development under 2383  
section 122.151 of the Revised Code. 2384

(P) "Taxable year" means the calendar year ending on the 2385  
thirty-first day of December next preceding the day the annual 2386  
statement is required to be returned under section 5725.18 or 2387  
5729.02 of the Revised Code. 2388

(Q) "Tier one rural area" means any county in this state 2389  
having a population less than two hundred thousand and more than 2390  
one hundred fifty thousand. 2391

(R) "Tier two rural area" means any county in this state 2392  
having a population of more than seventy-five thousand but not 2393  
more than one hundred fifty thousand. 2394

(S) "Tier three rural area" means any county in this state 2395  
having a population of not more than seventy-five thousand. 2396

**Sec. 122.151.** (A) A person that has developed a business 2397  
plan to invest in rural business concerns in this state and has 2398  
successfully solicited private investors to make credit-eligible 2399  
capital contributions in support of the plan may apply to the 2400  
department of housing and development for certification as a 2401  
rural business growth fund. The application shall include all of 2402  
the following: 2403

(1) The total eligible investment authority sought by the 2404  
applicant under the business plan; 2405

(2) Documents and other evidence sufficient to prove, to 2406

the satisfaction of the agency, that the applicant meets all of 2407  
the following criteria: 2408

(a) The applicant or an affiliate of the applicant is 2409  
licensed as a rural business investment company under 7 U.S.C. 2410  
2009cc, or as a small business investment company under 15 2411  
U.S.C. 681. 2412

(b) As of the date the application is submitted, the 2413  
applicant has invested more than one hundred million dollars in 2414  
operating companies, including at least fifty million dollars in 2415  
operating companies located in rural areas. In computing 2416  
investments under this division, the applicant may include 2417  
investments made by affiliates of the applicant and investments 2418  
made in businesses that are not operating companies but would 2419  
qualify as operating companies if the principal business 2420  
operations were located in this state. 2421

(3) The industries in which the applicant proposes to make 2422  
growth investments and the percentage of the growth investments 2423  
that will be made in each industry. The applicant shall identify 2424  
each industry by using the codes utilized by the north American 2425  
industry classification system. 2426

(4) An estimate of the number of new full-time equivalent 2427  
employees and retained full-time equivalent employees that will 2428  
result from the applicant's growth investments; 2429

(5) A revenue impact assessment for the applicant's 2430  
proposed growth investments prepared by a nationally recognized 2431  
third-party independent economic forecasting firm using a 2432  
dynamic economic forecasting model. The revenue impact 2433  
assessment shall analyze the applicant's business plan over the 2434  
ten years following the date the application is submitted to the 2435

agency. 2436

(6) A signed affidavit from each investor successfully 2437  
solicited by the applicant to make a credit eligible capital 2438  
contribution in support of the business plan. Each affidavit 2439  
shall include information sufficient for the agency and the 2440  
superintendent of insurance to identify the investor and shall 2441  
state the amount of the investor's credit-eligible capital 2442  
contribution. 2443

(7) A nonrefundable application fee of five thousand 2444  
dollars. 2445

(B) (1) Except as provided in division (B) (2) of this 2446  
section, the agency shall review and make a determination with 2447  
respect to each application submitted under division (A) of this 2448  
section within sixty days of receipt. The agency shall review 2449  
and make determinations on the applications in the order in 2450  
which the applications are received by the agency. Applications 2451  
received by the agency on the same day shall be deemed to have 2452  
been received simultaneously. The agency shall approve not more 2453  
than seventy-five million dollars in eligible investment 2454  
authority and not more than forty-five million dollars in 2455  
credit-eligible capital contributions under this section for 2456  
program one rural business growth funds. The agency shall 2457  
approve not more than seventy-five million dollars in eligible 2458  
investment authority and not more than forty-five million 2459  
dollars in credit-eligible contributions under this section for 2460  
program two rural business growth funds. 2461

(2) If the agency denies an application for certification 2462  
as a fund, and approving a subsequently submitted application 2463  
would result in exceeding the dollar limitation on eligible 2464  
investment authority or credit-eligible contributions prescribed 2465

by division (B) (1) of this section assuming the previously 2466  
denied application were completed, clarified, or cured under 2467  
division (D) of this section, the agency shall refrain from 2468  
making a determination on the subsequently submitted application 2469  
until the previously denied application is reconsidered or the 2470  
fifteen-day period for submitting additional information 2471  
respecting that application has passed, whichever comes first. 2472

(C) The agency shall deny an application submitted under 2473  
this section if any of the following are true: 2474

(1) The application is incomplete. 2475

(2) The application fee is not paid in full. 2476

(3) The applicant does not satisfy all the criteria 2477  
described in division (A) (2) of this section. 2478

(4) The revenue impact assessment submitted under division 2479  
(A) (5) of this section does not demonstrate that the applicant's 2480  
business plan will result in a positive economic impact on this 2481  
state over a ten-year period that exceeds the cumulative amount 2482  
of tax credits that would be issued under section 122.152 of the 2483  
Revised Code if the application were approved. 2484

(5) The credit-eligible capital contributions described in 2485  
affidavits submitted under division (A) (6) of this section do 2486  
not equal sixty per cent of the total amount of eligible 2487  
investment authority sought under the applicant's business plan. 2488

(6) The agency has already approved the maximum total 2489  
eligible investment authority and credit-eligible capital 2490  
contributions allowed under division (B) of this section. 2491

(D) If the agency denies an application under division (C) 2492  
of this section, the agency shall send notice of its 2493

determination to the applicant. The notice shall include the 2494  
reason or reasons that the application was denied. If the 2495  
application was denied for any reason other than the reason 2496  
specified in division (C) (6) of this section, the applicant may 2497  
provide additional information to the agency to complete, 2498  
clarify, or cure defects in the application. The additional 2499  
information must be submitted within fifteen days after the date 2500  
the notice of denial was dispatched by the agency. If the person 2501  
submits additional information within fifteen days, the agency 2502  
shall reconsider the application within thirty days after 2503  
receiving the additional information. The application shall be 2504  
reviewed and considered before any pending application submitted 2505  
after the original submission date of the reconsidered 2506  
application. If the person does not submit additional 2507  
information within fifteen days after dispatch of the notice of 2508  
denial, the person may submit a new application with a new 2509  
submission date at any time. 2510

(E) If approving multiple simultaneously submitted 2511  
applications would result in exceeding the overall eligible 2512  
investment limit prescribed by division (B) of this section, the 2513  
agency shall proportionally reduce the eligible investment 2514  
authority and the credit-eligible capital contributions for each 2515  
approved application as necessary to avoid exceeding the limit. 2516

(F) The agency shall not deny a rural business growth fund 2517  
application or reduce the requested eligible investment 2518  
authority for reasons other than those described in divisions 2519  
(C) and (E) of this section. If the agency approves such an 2520  
application, the agency shall issue a written notice to the 2521  
applicant certifying that the applicant qualifies as a rural 2522  
business growth fund and specifying the amount of the 2523  
applicant's eligible investment authority. 2524

(G) A fund shall do all of the following within sixty days 2525  
after receiving the certification issued under division (F) of 2526  
this section: 2527

(1) Collect the credit-eligible capital contributions from 2528  
each investor whose affidavit was included in the application. 2529  
If the rural business growth fund's requested eligible 2530  
investment authority is proportionally reduced under division 2531  
(E) of this section, the investor's required credit-eligible 2532  
capital contribution shall be reduced by the same proportion. 2533

(2) Collect one or more investments of cash that, when 2534  
added to the contributions collected under division (G)(1) of 2535  
this section, equal the fund's eligible investment authority. At 2536  
least ten per cent of the fund's eligible investment authority 2537  
shall be comprised of equity investments contributed directly or 2538  
indirectly by affiliates of the fund, including employees, 2539  
officers, and directors of such affiliates. 2540

(H) Within sixty-five days after receiving the 2541  
certification issued under division (F)(1) of this section, the 2542  
fund shall send to the agency documentation sufficient to prove 2543  
that the amounts described in divisions (G)(1) and (2) of this 2544  
section have been collected. The fund shall identify any 2545  
affiliate of an investor described in division (G)(1) of this 2546  
section that will seek to claim the credit allowed by section 2547  
122.152 of the Revised Code. If the fund fails to fully comply 2548  
with division (G) of this section, the fund's certification 2549  
shall lapse. 2550

Eligible investment authority and corresponding credit- 2551  
eligible capital contributions that lapse under this division do 2552  
not count toward limits on total eligible investment authority 2553  
and credit-eligible capital contributions prescribed by division 2554



(B) of this section. Once eligible investment authority has 2555  
lapsed, the agency shall first award lapsed authority pro rata 2556  
to each fund that was awarded less than the requested eligible 2557  
investment authority because of the operation of division (E) of 2558  
this section. Any remaining eligible investment authority may be 2559  
awarded by the agency to new applicants. 2560

(I) After receiving documentation sufficient to prove that 2561  
the amounts described in divisions (G) (1) and (2) of this 2562  
section have been collected, the agency shall issue the 2563  
following notices: 2564

(1) To each investor or affiliate identified in division 2565  
(H) of this section, a notice of the amount and utilization 2566  
schedule of the tax credits allocated to that investor or 2567  
affiliate as a result of its credit-eligible capital 2568  
contribution; 2569

(2) To the superintendent of insurance, a notice of the 2570  
amount and utilization schedule of the tax credits allocated to 2571  
each investor described in division (G) (1) of this section and 2572  
any affiliate of such investor who will seek to claim the credit 2573  
allowed by section 122.152 of the Revised Code. 2574

(J) Application fees submitted to the agency pursuant to 2575  
division (A) (7) of this section shall be credited to the tax 2576  
incentives operating fund created under section 122.174 of the 2577  
Revised Code, and shall be used by the agency to administer 2578  
sections 122.15 to 122.156 of the Revised Code. 2579

**Sec. 122.152.** (A) There is hereby allowed a nonrefundable 2580  
tax credit for owners of tax credit certificates issued by the 2581  
department of housing and development ~~services agency~~ under 2582  
division (B) of this section. The credit may be claimed against 2583

the tax imposed by section 3901.86, 5725.18, 5729.03, or 5729.06 2584  
of the Revised Code. 2585

(B) On the closing date, a taxpayer that made a credit- 2586  
eligible capital contribution to a rural business growth fund 2587  
shall be eligible for a credit equal to the amount specified in 2588  
the notice issued under division (I)(1) of section 122.151 of 2589  
the Revised Code. On or before the third, fourth, fifth, and 2590  
sixth anniversary dates of the closing date, the ~~agency-~~ 2591  
department shall issue a tax credit certificate to the taxpayer 2592  
specifying the corresponding anniversary date and a credit 2593  
amount equal to one-fourth of the total credit authorized under 2594  
this section. The taxpayer or its identified affiliate may claim 2595  
the credit amount for the taxable year that includes the date 2596  
specified on the certificate. The taxpayer making a credit- 2597  
eligible capital contribution and the issuance of a tax credit 2598  
certificate by the ~~agency-department~~ does not represent a 2599  
verification or certification by the ~~agency-department~~ of 2600  
compliance with the recapture provisions of section 122.153 of 2601  
the Revised Code. The tax credit issued under this division is 2602  
subject to recapture under section 122.153 of the Revised Code. 2603

(C) The credit shall be claimed in the order required 2604  
under section 5725.98 or 5729.98 of the Revised Code as 2605  
applicable. If the amount of the credit for a taxable year 2606  
exceeds the tax otherwise due for that year, the excess may be 2607  
carried forward for not more than four ensuing taxable years. A 2608  
taxpayer claiming a credit under this section shall submit a 2609  
copy of the tax credit certificate with the taxpayer's annual 2610  
statement for each taxable year in which the credit is claimed. 2611

**Sec. 122.153.** (A) The department of housing and 2612  
development shall not be required to issue a tax credit 2613

certificate under section 122.152 of the Revised Code if either 2614  
of the following applies: 2615

(1) The credit-eligible capital contribution was made in a 2616  
program one rural business growth fund that fails to: 2617

(a) Invest fifty per cent of its eligible investment 2618  
authority in growth investments within one year of the closing 2619  
date; and 2620

(b) Invest one hundred per cent of its eligible investment 2621  
authority in growth investments in this state within two years 2622  
of the closing date. 2623

(2) The credit eligible contribution was made in a program 2624  
two rural business growth fund that fails to: 2625

(a) Invest twenty-five per cent of its eligible investment 2626  
authority in growth investments within one year of the closing 2627  
date; 2628

(b) Invest fifty per cent of its eligible investment 2629  
authority in growth investments within two years of the closing 2630  
date; and 2631

(c) Invest one hundred per cent of its eligible investment 2632  
authority in growth investments within three years of the 2633  
closing date, including seventy-five per cent of its eligible 2634  
investment authority in rural business concerns that have their 2635  
principal business operations in tier two or tier three rural 2636  
areas, and twenty-five per cent of its eligible investment 2637  
authority in rural business concerns that have their principal 2638  
business operations in tier three rural areas. The amount by 2639  
which a rural business growth fund's growth investments in rural 2640  
business concerns that have their principal business operations 2641  
in tier one rural areas exceeds twenty-five per cent of the 2642

fund's eligible investment authority shall not count towards the 2643  
satisfaction of the requirements prescribed by division (A) (2) 2644  
(c) of this section. 2645

(B) The agency shall recapture tax credits claimed under 2646  
section 122.152 of the Revised Code if any of the following 2647  
occur with respect to the rural business growth fund: 2648

(1) The fund, after investing one hundred per cent of its 2649  
eligible investment authority in growth investments in this 2650  
state, fails to maintain that investment until the sixth 2651  
anniversary of the closing date. For the purposes of this 2652  
division, an investment is maintained even if the investment is 2653  
sold or repaid so long as the fund reinvests an amount equal to 2654  
the capital returned or recovered by the fund from the original 2655  
investment, exclusive of any profits realized, in other growth 2656  
investments in this state within one year of the receipt of such 2657  
capital. 2658

(2) The fund makes a distribution or payment after the 2659  
fund complies with division (G) of section 122.151 of the 2660  
Revised Code and before the fund decertifies under division (D) 2661  
of this section that results in the fund having less than one 2662  
hundred per cent of its eligible investment authority invested 2663  
in growth investments in this state. 2664

(3) The fund makes a growth investment in a rural business 2665  
concern that directly or indirectly through an affiliate owns, 2666  
has the right to acquire an ownership interest, makes a loan to, 2667  
or makes an investment in the fund, an affiliate of the fund, or 2668  
an investor in the fund. Division (A) (3) of this section does 2669  
not apply to investments in publicly traded securities by a 2670  
rural business concern or an owner or affiliate of a rural 2671  
business concern. 2672

Before recapturing one or more tax credits under this 2673  
division, the agency shall notify the fund of the reasons for 2674  
the pending recapture. If the fund corrects the violations 2675  
outlined in the notice to the satisfaction of the agency within 2676  
thirty days of the date the notice was dispatched, the agency 2677  
shall not recapture the tax credits. 2678

(C) (1) The amount by which one or more growth investments 2679  
by a program one rural business growth fund in the same rural 2680  
business concern exceeds twenty per cent of the fund's eligible 2681  
investment authority shall not be counted as a growth investment 2682  
for the purposes of this section. The amount by which one or 2683  
more growth investments by a program two rural business growth 2684  
fund in the same business concern exceeds five million dollars 2685  
shall not be counted as a growth investment for the purposes of 2686  
this section. A growth investment returned or repaid by a rural 2687  
business concern to a program one or program two rural business 2688  
growth fund and then reinvested by the fund in the same rural 2689  
business concern does not count as an investment in the same 2690  
rural business concern for the purposes of the limitations 2691  
prescribed by division (C) (1) of this section. 2692

(2) The aggregate amount of growth investments by all 2693  
rural business growth funds in the same rural business concern, 2694  
including amounts reinvested in a rural business concern 2695  
following a returned or repayment of a growth investment, shall 2696  
not exceed fifteen million dollars. 2697

(3) A growth investment in an affiliate of a rural 2698  
business concern shall be treated as a growth investment in that 2699  
rural business concern for the purposes of division (C) of this 2700  
section. 2701

(D) If the agency recaptures a tax credit under this 2702

section, the agency shall notify the superintendent of insurance 2703  
of the recapture. The superintendent shall make an assessment 2704  
under Chapter 5725. or 5729. of the Revised Code for the amount 2705  
of the credit claimed by each certificate owner associated with 2706  
the fund before the recapture was finalized. The time 2707  
limitations on assessments under those chapters do not apply to 2708  
an assessment under this division, but the superintendent shall 2709  
make the assessment within one year after the date the agency 2710  
notifies the superintendent of the recapture. Following the 2711  
recapture of a tax credit under this section, no tax credit 2712  
certificate associated with the fund may be utilized. 2713  
Notwithstanding division (B) of section 122.152 of the Revised 2714  
Code, if a tax credit is recaptured under this section the 2715  
agency shall not issue future tax credit certificates to 2716  
taxpayers that made credit-eligible capital contributions to the 2717  
fund. 2718

(E) (1) On or after the sixth anniversary of the closing 2719  
date, a fund that has not committed any of the acts described in 2720  
division (B) of this section may apply to the agency to 2721  
decertify as a rural business growth fund. The agency shall 2722  
respond to the application within sixty days after receiving the 2723  
application. In evaluating the application, the fact that no tax 2724  
credit has been recaptured with respect to the fund shall be 2725  
sufficient evidence to prove that the fund is eligible for 2726  
decertification. The agency shall not unreasonably deny an 2727  
application submitted under this division. 2728

(2) The agency shall send notice of its determination with 2729  
respect to an application submitted under division (E) (1) of 2730  
this section to the fund. If the application is denied, the 2731  
notice shall include the reason or reasons for the 2732  
determination. 2733

(3) The agency shall not recapture a tax credit due to any 2734  
actions of a fund that occur after the date the fund's 2735  
application for decertification is approved. Division (E) (3) of 2736  
this section does not prohibit the agency from recapturing a tax 2737  
credit due to the actions of a fund that occur before the date 2738  
the fund's application for decertification is approved, even if 2739  
those actions are discovered after that date. 2740

**Sec. 122.154.** (A) Each rural business growth fund shall 2741  
submit a report to the department of housing and development on 2742  
or before the first day of each March following the end of the 2743  
calendar year that includes the closing date until the calendar 2744  
year after the fund has decertified. The report shall provide an 2745  
itemization of the fund's growth investments and shall include 2746  
the following documents and information: 2747

(1) A bank statement evidencing each growth investment; 2748

(2) The name, location, and industry class of each 2749  
business that received a growth investment from the fund and 2750  
evidence that the business qualified as a rural business concern 2751  
at the time the investment was made. If the fund obtained a 2752  
written opinion from the agency on the business's status as a 2753  
rural business concern under section 122.156 of the Revised 2754  
Code, or if the fund makes a written request for such an opinion 2755  
and the agency failed to respond within thirty days as required 2756  
by that section, a copy of the agency's favorable opinion or a 2757  
dated copy of the fund's unanswered request, as applicable, 2758  
shall be sufficient evidence that the business qualified as a 2759  
rural business concern at the time the investment was made. 2760

(3) The number of employment positions that existed at 2761  
each business described in division (A) (2) of this section on 2762  
the date the business received the growth investment; 2763

(4) The number of new full-time equivalent employees 2764  
resulting from each of the fund's growth investments made or 2765  
maintained in the preceding calendar year; 2766

(5) Any other information required by the agency. 2767

(B) Each fund shall submit a report to the agency on or 2768  
before the fifth business day after the first, second, and for 2769  
program two funds, third anniversaries of the closing date that 2770  
provides documentation sufficient to prove that the fund has met 2771  
the investment thresholds described in division (A) of section 2772  
122.153 of the Revised Code and has not implicated any of the 2773  
other recapture provisions described in division (B) of that 2774  
section. 2775

(C) Each certified rural business growth fund shall pay 2776  
the agency an annual fee of twenty thousand dollars. The initial 2777  
annual fee required of a fund shall be due and payable to the 2778  
agency along with the submission of documentation required under 2779  
division (H) of section 122.151 of the Revised Code. Each 2780  
subsequent annual fee is due and payable on the last day of 2781  
February following the first and each ensuing anniversary of the 2782  
closing date. If the fund is required to submit an annual report 2783  
under division (A) of this section, the annual fee shall be 2784  
submitted along with the report. No fund shall be required to 2785  
pay an annual fee after the fund has decertified under section 2786  
122.153 of the Revised Code. Annual fees paid to the agency 2787  
under this section shall be credited to the tax incentives 2788  
operating fund created under section 122.174 of the Revised 2789  
Code. 2790

(D) The director of housing and development, after 2791  
consultation with the superintendent of insurance and in 2792  
accordance with Chapter 119. of the Revised Code, may adopt 2793



rules necessary to implement sections 122.15 to 122.156 of the 2794  
Revised Code. 2795

**Sec. 122.155.** (A) (1) For each calendar year in which a 2796  
rural business growth fund makes or maintains a growth 2797  
investment in a rural business concern in this state, the fund 2798  
shall determine the number of new full-time equivalent employees 2799  
produced at the business concern as a result of the investment. 2800  
New full-time equivalent employees shall be computed by 2801  
subtracting the number of full-time equivalent employees at the 2802  
rural business concern on the date of the fund's initial growth 2803  
investment in the rural business concern from the number of 2804  
full-time equivalent employees at the rural business concern on 2805  
the last day of the calendar year. If the computation results in 2806  
a number less than zero, the number of new full-time equivalent 2807  
employees, produced by the fund's growth investment for that 2808  
calendar year period shall be zero. Only employees with an 2809  
hourly wage rate of at least one hundred fifty per cent of the 2810  
federal minimum wage may be considered in computing the number 2811  
of new full-time equivalent employees for the purposes of this 2812  
section. 2813

(2) A fund may determine and include, for the purposes of 2814  
this section and section 122.154 of the Revised Code, the number 2815  
of new full-time equivalent employees produced at a rural 2816  
business concern after the year in which the fund's growth 2817  
investment is repaid or redeemed. The new full-time equivalent 2818  
employees shall be computed in the same manner as in division 2819  
(A) (1) of this section based on reporting information provided 2820  
by the rural business concern to the fund. 2821

(B) After a fund's application for decertification is 2822  
approved under section 122.153 of the Revised Code, the fund 2823

shall determine the state reimbursement amount. The state 2824  
reimbursement amount shall equal the amount by which the fund's 2825  
credit-eligible capital contributions exceed the product 2826  
obtained by multiplying thirty thousand dollars by the aggregate 2827  
number of new full-time equivalent employees for the fund. If 2828  
that product is greater than the fund's credit-eligible capital 2829  
contributions, the state reimbursement amount shall equal zero. 2830  
In the absence of additional information provided by the fund or 2831  
discovered by the agency, the number of new full-time equivalent 2832  
employees for the purposes of this division equals the sum of 2833  
all new full-time equivalent employees reported by the fund on 2834  
the annual reports required under section 122.154 of the Revised 2835  
Code. 2836

(C) After the state reimbursement amount is computed under 2837  
division (B) of this section, the fund shall not be permitted to 2838  
make further distributions to equity holders of the fund, 2839  
including investors that are equity holders of the funds without 2840  
first remitting the state reimbursement amount to the agency. 2841  
All amounts received by the agency under this division shall be 2842  
credited to the general revenue fund. 2843

(D) The director of housing and development services, upon 2844  
the request of a fund, may waive all or a portion of the 2845  
remission required under division (C) of this section if the 2846  
director determines, based on an affidavit of the chief 2847  
executive officer or president of a rural business concern, that 2848  
the growth investments of the fund resulted in the retention of 2849  
employment positions that would have otherwise been eliminated 2850  
at rural business concerns in this state. The amount waived 2851  
shall not exceed the product of thirty thousand dollars 2852  
multiplied by the number of retained employment positions 2853  
multiplied by the number of years in which the fund made or 2854

maintained a growth investment in the rural business concern 2855  
that retained the employment positions. 2856

**Sec. 122.156.** A rural business growth fund, before 2857  
investing in a business, may request a written opinion from the 2858  
department of housing and development as to whether the business 2859  
qualifies as a rural business concern based on the criteria 2860  
prescribed by section 122.15 of the Revised Code. The request 2861  
shall be submitted in a form prescribed by rule of the agency. 2862  
The agency shall issue a written opinion to the fund within 2863  
thirty business days of receiving such a request. 2864  
Notwithstanding division (J) of section 122.15 of the Revised 2865  
Code, if the agency determines that the business qualifies as a 2866  
rural business concern or if the agency fails to timely issue 2867  
the written opinion as required under this section, the business 2868  
shall be considered a rural business concern for the purposes of 2869  
sections 122.15 to 122.156 of the Revised Code. 2870

**Sec. 122.16.** (A) As used in this section: 2871

(1) "Distressed area" means either a municipal corporation 2872  
that has a population of at least fifty thousand according to 2873  
the most recent federal decennial census published by the United 2874  
States census bureau, or a county, that meets at least two of 2875  
the following criteria: 2876

(a) Its average rate of unemployment, during the most 2877  
recent five-year period for which local area unemployment 2878  
statistics published by the United States bureau of labor 2879  
statistics are available, as of the date the most recent federal 2880  
decennial census was published, is equal to or greater than one 2881  
hundred twenty-five per cent of the average rate of unemployment 2882  
for the United States for the same period. 2883

(b) (i) In the case of a county, its per capita personal 2884  
income is equal to or less than eighty per cent of the per 2885  
capita personal income of the United States as determined by the 2886  
most recently available data from the United States department 2887  
of commerce, bureau of economic analysis as of the date the most 2888  
recent federal decennial census was published. 2889

(ii) In the case of a municipal corporation, its per 2890  
capita income is equal to or less than eighty per cent of the 2891  
per capita income of the United States as determined by the most 2892  
recently available five-year estimates published in the American 2893  
community survey as of the date the most recent federal 2894  
decennial census was published. 2895

(c) (i) In the case of a county, its ratio of personal 2896  
current transfer receipts to total personal income is equal to 2897  
or greater than twenty-five per cent, as determined by the most 2898  
recently available data from the United States department of 2899  
commerce, bureau of economic analysis as of the date the most 2900  
recent federal decennial census was published. 2901

(ii) In the case of a municipal corporation, the 2902  
percentage of its residents with incomes below the official 2903  
poverty line is equal to or greater than twenty per cent as 2904  
determined by the most recently available five-year estimates 2905  
published in the American community survey as of the date the 2906  
most recent federal decennial census was published. 2907

If a federal agency ceases to publish the applicable data 2908  
described in division (A) (1) of this section, the director of 2909  
housing and development shall designate, on the department of 2910  
housing and development's web site, an alternative source of the 2911  
applicable data published by a federal agency or, if no such 2912  
source is available, another reliable source. 2913

(2) "Eligible area" means a distressed area, a labor surplus area, an inner city area, or a situational distress area.

(3) "Eligible costs associated with a voluntary action" means costs incurred during the qualifying period in performing a remedy or remedial activities, as defined in section 3746.01 of the Revised Code, and any costs incurred during the qualifying period in performing both a phase I and phase II property assessment, as defined in the rules adopted under section 3746.04 of the Revised Code, provided that the performance of the phase I and phase II property assessment resulted in the implementation of the remedy or remedial activities.

(4) "Inner city area" means, in a municipal corporation that has a population of at least one hundred thousand and does not meet the criteria of a labor surplus area or a distressed area, targeted investment areas established by the municipal corporation within its boundaries that are comprised of the most recent census block tracts that individually have at least twenty per cent of their population at or below the state poverty level or other census block tracts contiguous to such census block tracts.

(5) "Labor surplus area" means an area designated as a labor surplus area by the United States department of labor.

(6) "Official poverty line" has the same meaning as in division (A) of section 3923.51 of the Revised Code.

(7) "Partner" includes a member of a limited liability company formed under Chapter 1705. or 1706. of the Revised Code or under the laws of any other state if the limited liability

company is not treated as a corporation for purposes of Chapter 2943  
5733. of the Revised Code and is not classified as an 2944  
association taxable as a corporation for federal income tax 2945  
purposes. 2946

(8) "Partnership" includes a limited liability company 2947  
formed under Chapter 1705. or 1706. of the Revised Code or under 2948  
the laws of any other state if the limited liability company is 2949  
not treated as a corporation for purposes of Chapter 5733. of 2950  
the Revised Code and is not classified as an association taxable 2951  
as a corporation for federal income tax purposes. 2952

(9) "Qualifying period" means the period that begins July 2953  
1, 1996, and ends June 30, 1999. 2954

(10) "S corporation" means a corporation that has made an 2955  
election under subchapter S of chapter one of subtitle A of the 2956  
Internal Revenue Code for its taxable year under the Internal 2957  
Revenue Code; 2958

(11) "Situational distress area" means a county or a 2959  
municipal corporation that has experienced or is experiencing a 2960  
closing or downsizing of a major employer that will adversely 2961  
affect the economy of the county or municipal corporation. In 2962  
order for a county or municipal corporation to be designated as 2963  
a situational distress area, the governing body of the county or 2964  
municipal corporation shall submit a petition to the director of 2965  
housing and development in the form prescribed by the director. 2966  
A county or municipal corporation may be designated as a 2967  
situational distress area for a period not exceeding thirty-six 2968  
months. 2969

The petition shall include written documentation that 2970  
demonstrates all of the following: 2971

|  |                              |
|--|------------------------------|
| (a) The number of jobs lost by the closing or downsizing;  | 2972                         |
| (b) The impact that the job loss has on the unemployment rate of the county or municipal corporation as measured by the director of job and family services;                           | 2973<br>2974<br>2975         |
| (c) The annual payroll associated with the job loss;   | 2976                         |
| (d) The amount of state and local taxes associated with the job loss;  | 2977<br>2978                 |
| (e) The impact that the closing or downsizing has on the suppliers located in the county or municipal corporation.   | 2979<br>2980                 |
| (12) "Voluntary action" has the same meaning as in section 3746.01 of the Revised Code.  | 2981<br>2982                 |
| (13) "Taxpayer" means a corporation subject to the tax imposed by section 5733.06 of the Revised Code or any person subject to the tax imposed by section 5747.02 of the Revised Code. | 2983<br>2984<br>2985<br>2986 |
| (14) "Governing body" means the board of county commissioners of a county, the board of township trustees of a township, or the legislative authority of a municipal corporation.      | 2987<br>2988<br>2989<br>2990 |
| (15) "Eligible site" means property for which a covenant not to sue has been issued under section 3746.12 of the Revised Code.   | 2991<br>2992<br>2993         |
| (16) "American community survey" means the supplementary statistics collected and published annually by the United States census bureau in accordance with 13 U.S.C. 141 and 193.      | 2994<br>2995<br>2996         |
| (B) (1) A taxpayer, partnership, or S corporation that has been issued, under section 3746.12 of the Revised Code, a   | 2997<br>2998                 |

covenant not to sue for a site by the director of environmental 2999  
protection during the qualifying period may apply to the 3000  
director of housing and development, in the manner prescribed by 3001  
the director, to enter into an agreement under which the 3002  
applicant agrees to economically redevelop the site in a manner 3003  
that will create employment opportunities and a credit will be 3004  
granted to the applicant against the tax imposed by section 3005  
5733.06 or 5747.02 of the Revised Code. The application shall 3006  
state the eligible costs associated with a voluntary action 3007  
incurred by the applicant. The application shall be accompanied 3008  
by proof, in a form prescribed by the director of housing and 3009  
development, that the covenant not to sue has been issued. 3010

The applicant shall request the certified professional 3011  
that submitted the no further action letter for the eligible 3012  
site under section 3746.11 of the Revised Code to submit an 3013  
affidavit to the director of housing and development verifying 3014  
the eligible costs associated with the voluntary action at that 3015  
site. 3016

The director shall review the applications in the order 3017  
they are received. If the director determines that the applicant 3018  
meets the requirements of this section, the director may enter 3019  
into an agreement granting a credit against the tax imposed by 3020  
section 5733.06 or 5747.02 of the Revised Code. In making the 3021  
determination, the director may consider the extent to which 3022  
political subdivisions and other units of government will 3023  
cooperate with the applicant to redevelop the eligible site. The 3024  
agreement shall state the amount of the tax credit and the 3025  
reporting requirements described in division (F) of this 3026  
section. 3027

(2) The maximum annual amount of credits the director of 3028



housing and development may grant under such agreements shall be 3029  
as follows: 3030

1996 \$5,000,000 3031

1997 \$10,000,000 3032

1998 \$10,000,000 3033

1999 \$5,000,000 3034

For any year in which the director of housing and 3035  
development does not grant tax credits under this section equal 3036  
to the maximum annual amount, the amount not granted for that 3037  
year shall be added to the maximum annual amount that may be 3038  
granted for the following year. However, the director shall not 3039  
grant any tax credits under this section after June 30, 1999. 3040

(C) (1) If the covenant not to sue was issued in connection 3041  
with a site that is not located in an eligible area, the credit 3042  
amount is equal to the lesser of five hundred thousand dollars 3043  
or ten per cent of the eligible costs associated with a 3044  
voluntary action incurred by the taxpayer, partnership, or S 3045  
corporation. 3046

(2) If a covenant not to sue was issued in connection with 3047  
a site that is located in an eligible area, the credit amount is 3048  
equal to the lesser of seven hundred fifty thousand dollars or 3049  
fifteen per cent of the eligible costs associated with a 3050  
voluntary action incurred by the taxpayer, partnership, or S 3051  
corporation. 3052

(3) A taxpayer, partnership, or S corporation that has 3053  
been issued covenants not to sue under section 3746.12 of the 3054  
Revised Code for more than one site may apply to the director of 3055  
housing and development to enter into more than one agreement 3056

granting a credit against the tax imposed by section 5733.06 or 3057  
5747.02 of the Revised Code. 3058

(4) For each year for which a taxpayer, partnership, or S 3059  
corporation has been granted a credit under an agreement entered 3060  
into under this section, the director of housing and development 3061  
shall issue a certificate to the taxpayer, partnership, or S 3062  
corporation indicating the amount of the credit the taxpayer, 3063  
the partners of the partnership, or the shareholders of the S 3064  
corporation may claim for that year, not including any amount 3065  
that may be carried forward from previous years under section 3066  
5733.34 of the Revised Code. 3067

(D) (1) Each agreement entered into under this section 3068  
shall incorporate a commitment by the taxpayer, partnership, or 3069  
S corporation not to permit the use of an eligible site to cause 3070  
the relocation of employment positions to that site from 3071  
elsewhere in this state, except as otherwise provided in 3072  
division (D) (2) of this section. The commitment shall be binding 3073  
on the taxpayer, partnership, or S corporation for the lesser of 3074  
five years from the date the agreement is entered into or the 3075  
number of years the taxpayer, partnership, or S corporation is 3076  
entitled to claim the tax credit under the agreement. 3077

(2) An eligible site may be the site of employment 3078  
positions relocated from elsewhere in this state if the director 3079  
of housing and development determines both of the following: 3080

(a) That the site from which the employment positions 3081  
would be relocated is inadequate to meet market and industry 3082  
conditions, expansion plans, consolidation plans, or other 3083  
business considerations affecting the relocating employer; 3084

(b) That the governing body of the county, township, or 3085

municipal corporation from which the employment positions would 3086  
be relocated has been notified of the possible relocation. 3087

For purposes of this section, the movement of an 3088  
employment position from one political subdivision to another 3089  
political subdivision shall be considered a relocation of an 3090  
employment position, but the transfer of an individual employee 3091  
from one political subdivision to another political subdivision 3092  
shall not be considered a relocation of an employment position 3093  
as long as the individual's employment position in the first 3094  
political subdivision is refilled. 3095

(E) A taxpayer, partnership, or S corporation that has 3096  
entered into an agreement granting a credit against the tax 3097  
imposed by section 5733.06 or 5747.02 of the Revised Code that 3098  
subsequently recovers in a lawsuit or settlement of a lawsuit at 3099  
least seventy-five per cent of the eligible costs associated 3100  
with a voluntary action shall not claim any credit amount 3101  
remaining, including any amounts carried forward from prior 3102  
years, beginning with the taxable year in which the judgment in 3103  
the lawsuit is entered or the settlement is finally agreed to. 3104

Any amount of credit that a taxpayer, partnership, or S 3105  
corporation may not claim by reason of this division shall not 3106  
be considered to have been granted for the purpose of 3107  
determining the total amount of credits that may be issued under 3108  
division (B) (2) of this section. 3109

(F) Each year for which a taxpayer, partnership, or S 3110  
corporation claims a credit under section 5733.34 of the Revised 3111  
Code, the taxpayer, partnership, or S corporation shall report 3112  
the following to the director of housing and development: 3113

(1) The status of all cost recovery litigation described 3114

in division (E) of this section to which it was a party during 3115  
the previous year; 3116

(2) Confirmation that the covenant not to sue has not been 3117  
revoked or has not been voided; 3118

(3) Confirmation that the taxpayer, partnership, or S 3119  
corporation has not permitted the eligible site to be used in 3120  
such a manner as to cause the relocation of employment positions 3121  
from elsewhere in this state in violation of the commitment 3122  
required under division (D) of this section; 3123

(4) Any other information the director of housing and 3124  
development requires to perform the director's duties under this 3125  
section. 3126

(G) The director of housing and development shall annually 3127  
certify, by the first day of January of each year during the 3128  
qualifying period, the eligible areas for the calendar year that 3129  
includes that first day of January. 3130

(H) The director of housing and development, in accordance 3131  
with Chapter 119. of the Revised Code, shall adopt rules 3132  
necessary to implement this section, including rules prescribing 3133  
forms required for administering this section. 3134

**Sec. 122.17.** (A) As used in this section: 3135

(1) "Payroll" means the total taxable income paid by the 3136  
employer during the employer's taxable year, or during the 3137  
calendar year that includes the employer's tax period, to each 3138  
employee or each home-based employee employed in the project to 3139  
the extent such payroll is not used to determine the credit 3140  
under section 122.171 of the Revised Code. "Payroll" excludes 3141  
amounts paid before the day the taxpayer becomes eligible for 3142  
the credit and retirement or other benefits paid or contributed 3143

by the employer to or on behalf of employees. 3144

(2) "Baseline payroll" means Ohio employee payroll, except 3145  
that the applicable measurement period is the twelve months 3146  
immediately preceding the date the tax credit authority approves 3147  
the taxpayer's application or the date the tax credit authority 3148  
receives the recommendation described in division (C) (2) (a) of 3149  
this section, whichever occurs first, multiplied by the sum of 3150  
one plus an annual pay increase factor to be determined by the 3151  
tax credit authority. 3152

(3) "Ohio employee payroll" means the amount of 3153  
compensation used to determine the withholding obligations in 3154  
division (A) of section 5747.06 of the Revised Code and paid by 3155  
the employer during the employer's taxable year, or during the 3156  
calendar year that includes the employer's tax period, to the 3157  
following: 3158

(a) An employee employed in the project who is a resident 3159  
of this state including a qualifying work-from-home employee not 3160  
designated as a home-based employee by an applicant under 3161  
division (C) (1) of this section; 3162

(b) An employee employed at the project location who is 3163  
not a resident and whose compensation is not exempt from the tax 3164  
imposed under section 5747.02 of the Revised Code pursuant to a 3165  
reciprocity agreement with another state under division (A) (3) 3166  
of section 5747.05 of the Revised Code; 3167

(c) A home-based employee employed in the project. 3168

"Ohio employee payroll" excludes any such compensation to 3169  
the extent it is used to determine the credit under section 3170  
122.171 of the Revised Code, and excludes amounts paid before 3171  
the day the taxpayer becomes eligible for the credit under this 3172

section. 3173

(4) "Excess payroll" means Ohio employee payroll minus 3174  
baseline payroll. 3175

(5) "Home-based employee" means an employee whose services 3176  
are performed primarily from the employee's residence in this 3177  
state exclusively for the benefit of the project and whose rate 3178  
of pay is at least one hundred thirty-one per cent of the 3179  
federal minimum wage under 29 U.S.C. 206. 3180

(6) "Full-time equivalent employees" means the quotient 3181  
obtained by dividing the total number of hours for which 3182  
employees were compensated for employment in the project by two 3183  
thousand eighty. "Full-time equivalent employees" excludes hours 3184  
that are counted for a credit under section 122.171 of the 3185  
Revised Code. 3186

(7) "Metric evaluation date" means the date by which the 3187  
taxpayer must meet all of the commitments included in the 3188  
agreement. 3189

(8) "Qualifying work-from-home employee" means an employee 3190  
who is a resident of this state and whose services are 3191  
supervised from the employer's project location and performed 3192  
primarily from a residence of the employee located in this 3193  
state. 3194

(9) "Resident" or "resident of this state" means an 3195  
individual who is a resident as defined in section 5747.01 of 3196  
the Revised Code. 3197

(10) "Reporting period" means a period corresponding to 3198  
the annual report required under division (D) (6) of this 3199  
section. 3200

(11) "Megaproject" means a project in this state that 3201  
meets all of the following requirements: 3202

(a) At least one of the following applies: 3203

(i) The project requires unique sites, extremely robust 3204  
utility service, and a technically skilled workforce. 3205

(ii) The megaproject operator of the project has its 3206  
corporate headquarters in the United States, incurs more than 3207  
fifty per cent of its research and development expenses in the 3208  
United States in the year preceding the date the tax credit 3209  
authority approves the project for a credit under this section, 3210  
and builds and operates semiconductor wafer manufacturing 3211  
factories in this state or intends to do so by the metric 3212  
evaluation date applicable to the megaproject operator. 3213

(b) The megaproject operator of the project agrees, in an 3214  
agreement with the tax credit authority under division (D) of 3215  
this section, that, on and after the metric evaluation date 3216  
applicable to the megaproject operator and until the end of the 3217  
last year for which the megaproject qualifies for the credit 3218  
authorized under this section, the megaproject operator will 3219  
compensate the project's employees at an average hourly wage of 3220  
at least three hundred per cent of the federal minimum wage 3221  
under 29 U.S.C. 206, exclusive of employee benefits, as 3222  
determined at the time the tax credit authority approves the 3223  
project for a credit under this section. 3224

(c) The megaproject operator agrees, in an agreement with 3225  
the tax credit authority under division (D) of this section, to 3226  
satisfy either of the following by the metric evaluation date 3227  
applicable to the project: 3228

(i) The megaproject operator makes at least one billion 3229

dollars, as adjusted under division (V) (1) of this section, in 3230  
fixed-asset investments in the project. 3231

(ii) The megaproject operator creates at least seventy- 3232  
five million dollars, as adjusted under division (V) (1) of this 3233  
section, in Ohio employee payroll at the project. 3234

(d) The megaproject operator agrees, in an agreement with 3235  
the tax credit authority under division (D) of this section, 3236  
that if the project satisfies division (A) (11) (c) (ii) of this 3237  
section, then, on and after the metric evaluation date and until 3238  
the end of the last year for which the megaproject qualifies for 3239  
the credit authorized under this section, the megaproject 3240  
operator will maintain at least the amount in Ohio employee 3241  
payroll at the project required under that division for each 3242  
year in that period. 3243

(12) "Megaproject operator" means a taxpayer that, 3244  
separately or collectively with other taxpayers, undertakes and 3245  
operates a megaproject. Such a taxpayer becomes a megaproject 3246  
operator effective the first day of the calendar year in which 3247  
the taxpayer and the tax credit authority enter into an 3248  
agreement under division (D) of this section with respect to the 3249  
megaproject. More than one taxpayer may be designated by the tax 3250  
credit authority as a megaproject operator for the same 3251  
megaproject. 3252

(13) "Megaproject supplier" means a supplier in this state 3253  
that meets either or both of the following requirements: 3254

(a) The supplier sells tangible personal property directly 3255  
to a megaproject operator of a megaproject that satisfies the 3256  
criteria described in division (A) (11) (a) (ii) of this section 3257  
for use at a megaproject site, provided that such property was 3258



subject to substantial manufacturing, assembly, or processing in 3259  
this state at a facility owned or operated by the supplier; 3260

(b) The supplier sells tangible personal property directly 3261  
to a megaproject operator for use at a megaproject site, 3262  
provided that the supplier agrees, in an agreement with the tax 3263  
credit authority under division (D) of this section, to meet all 3264  
of the following requirements: 3265

(i) By the metric evaluation date applicable to the 3266  
supplier, makes at least one hundred million dollars, as 3267  
adjusted under division (V) (2) of this section, in fixed-asset 3268  
investments in this state; 3269

(ii) By the metric evaluation date applicable to the 3270  
supplier, creates at least ten million dollars, as adjusted 3271  
under division (V) (2) of this section, in Ohio employee payroll; 3272

(iii) On and after the metric evaluation date applicable 3273  
to the supplier, until the end of the last year for which the 3274  
supplier qualifies for the credit authorized under this section, 3275  
maintains at least the amount in Ohio employee payroll required 3276  
under division (A) (13) (b) (ii) of this section for each year in 3277  
that period. 3278

(B) The tax credit authority may make grants under this 3279  
section to foster job creation in this state. Such a grant shall 3280  
take the form of a refundable credit allowed against the tax 3281  
imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 5736.02, 3282  
or 5747.02 or levied under Chapter 5751. of the Revised Code. 3283  
The credit shall be claimed for the taxable years or tax periods 3284  
specified in the taxpayer's agreement with the tax credit 3285  
authority under division (D) of this section. With respect to 3286  
taxes imposed under section 5726.02, 5733.06, or 5747.02 or 3287

Chapter 5751. of the Revised Code, the credit shall be claimed 3288  
in the order required under section 5726.98, 5733.98, 5747.98, 3289  
or 5751.98 of the Revised Code. The amount of the credit 3290  
available for a taxable year or for a calendar year that 3291  
includes a tax period equals the excess payroll for that year 3292  
multiplied by the percentage specified in the agreement with the 3293  
tax credit authority. 3294

(C) (1) A taxpayer or potential taxpayer who proposes a 3295  
project to create new jobs in this state may apply to the tax 3296  
credit authority to enter into an agreement for a tax credit 3297  
under this section. 3298

An application shall not propose to include both home- 3299  
based employees and employees who are not home-based employees 3300  
in the computation of Ohio employee payroll for the purposes of 3301  
the same tax credit agreement, except that a qualifying work- 3302  
from-home employee shall not be considered to be a home-based 3303  
employee unless so designated by the applicant. If a taxpayer or 3304  
potential taxpayer employs both home-based employees and 3305  
employees who are not home-based employees in a project, the 3306  
taxpayer shall submit separate applications for separate tax 3307  
credit agreements for the project, one of which shall include 3308  
home-based employees in the computation of Ohio employee payroll 3309  
and one of which shall include all other employees in the 3310  
computation of Ohio employee payroll. 3311

The director of housing and development shall prescribe 3312  
the form of the application. After receipt of an application, 3313  
the authority may enter into an agreement with the taxpayer for 3314  
a credit under this section if it determines all of the 3315  
following: 3316

(a) The taxpayer's project will increase payroll; 3317

(b) The taxpayer's project is economically sound and will 3318  
benefit the people of this state by increasing opportunities for 3319  
employment and strengthening the economy of this state; 3320

(c) Receiving the tax credit is a major factor in the 3321  
taxpayer's decision to go forward with the project. 3322

(2) (a) A taxpayer that chooses to begin the project prior 3323  
to receiving the determination of the authority may, upon 3324  
submitting the taxpayer's application to the authority, request 3325  
that the chief investment officer of the nonprofit corporation 3326  
formed under section 187.01 of the Revised Code and the director 3327  
review the taxpayer's application and recommend to the authority 3328  
that the taxpayer's application be considered. As soon as 3329  
possible after receiving such a request, the chief investment 3330  
officer and the director shall review the taxpayer's application 3331  
and, if they determine that the application warrants 3332  
consideration by the authority, make that recommendation to the 3333  
authority not later than six months after the application is 3334  
received by the authority. 3335

(b) The authority shall consider any taxpayer's 3336  
application for which it receives a recommendation under 3337  
division (C) (2) (a) of this section. If the authority determines 3338  
that the taxpayer does not meet all of the criteria set forth in 3339  
division (C) (1) of this section, the authority and the 3340  
department of housing and development shall proceed in 3341  
accordance with rules adopted by the director pursuant to 3342  
division (I) of this section. 3343

(D) An agreement under this section shall include all of 3344  
the following: 3345

(1) A detailed description of the project that is the 3346

subject of the agreement; 3347

(2) (a) The term of the tax credit, which, except as 3348  
provided in division (D) (2) (b) or (C) of this section, shall not 3349  
exceed fifteen years, and the first taxable year, or first 3350  
calendar year that includes a tax period, for which the credit 3351  
may be claimed; 3352

(b) If the tax credit is computed on the basis of home- 3353  
based employees, the term of the credit shall expire on or 3354  
before the last day of the taxable or calendar year ending 3355  
before the beginning of the seventh year after September 6, 3356  
2012, the effective date of H.B. 327 of the 129th general 3357  
assembly. 3358

(c) If the taxpayer is a megaproject operator or a 3359  
megaproject supplier that meets the requirements described in 3360  
division (A) (13) (b) of this section, the term of the tax credit 3361  
shall not exceed thirty years. 3362

(3) A requirement that the taxpayer shall maintain 3363  
operations at the project location for at least the greater of 3364  
seven years or the term of the credit plus three years; 3365

(4) The percentage, as determined by the tax credit 3366  
authority, of excess payroll that will be allowed as the amount 3367  
of the credit for each taxable year or for each calendar year 3368  
that includes a tax period; 3369

(5) The pay increase factor to be applied to the 3370  
taxpayer's baseline payroll; 3371

(6) A requirement that the taxpayer annually shall report 3372  
to the director of housing and development full-time equivalent 3373  
employees, payroll, Ohio employee payroll, investment, the 3374  
provision of health care benefits and tuition reimbursement if 3375

required in the agreement, and other information the director 3376  
needs to perform the director's duties under this section; 3377

(7) A requirement that the director of housing and 3378  
development annually review the information reported under 3379  
division (D)(6) of this section and verify compliance with the 3380  
agreement; if the taxpayer is in compliance, a requirement that 3381  
the director issue a certificate to the taxpayer stating that 3382  
the information has been verified and identifying the amount of 3383  
the credit that may be claimed for the taxable or calendar year. 3384  
If the taxpayer is a megaproject supplier, the director shall 3385  
issue such a certificate to the megaproject supplier and to any 3386  
megaproject operator (a) to which the megaproject supplier 3387  
directly sells tangible personal property and (b) that is 3388  
authorized to claim the credit pursuant to division (D)(10) of 3389  
this section. 3390

(8) A provision providing that the taxpayer may not 3391  
relocate a substantial number of employment positions from 3392  
elsewhere in this state to the project location unless the 3393  
director of housing and development determines that the 3394  
legislative authority of the county, township, or municipal 3395  
corporation from which the employment positions would be 3396  
relocated has been notified by the taxpayer of the relocation. 3397

For purposes of this section, the movement of an 3398  
employment position from one political subdivision to another 3399  
political subdivision shall be considered a relocation of an 3400  
employment position unless the employment position in the first 3401  
political subdivision is replaced. The movement of a qualifying 3402  
work-from-home employee to a different residence located in this 3403  
state or to the project location shall not be considered a 3404  
relocation of an employment position. 3405

(9) If the tax credit is computed on the basis of home-based employees, that the tax credit may not be claimed by the taxpayer until the taxable year or tax period in which the taxpayer employs at least two hundred employees more than the number of employees the taxpayer employed on June 30, 2011;

(10) If the taxpayer is a megaproject supplier, the percentage of the annual tax credit certified under division (D) (7) of this section, up to one hundred per cent, that may be claimed by each megaproject operator to which the megaproject supplier directly sells tangible personal property, rather than by that megaproject supplier, on the condition that the megaproject operator continues to qualify as a megaproject operator;

(11) If the taxpayer is a megaproject operator or megaproject supplier, a requirement that the taxpayer meet and maintain compliance with all thresholds and requirements to which the taxpayer agreed, pursuant to division (A) (11) or (13) of this section, respectively, as a condition of the operator's project qualifying as a megaproject or the supplier qualifying as a megaproject supplier until the end of the last year for which the taxpayer qualifies for the credit authorized under this section. In each year that a megaproject operator or megaproject supplier is subject to an agreement with the tax credit authority under this section and meets the requirements of this division, the director of housing and development shall issue a certificate to the megaproject operator or megaproject supplier stating that the megaproject operator or megaproject supplier continues to meet those requirements.

(12) If the taxpayer is a megaproject operator, a requirement that the megaproject operator submit, in a form

acceptable to the director of housing and development, an 3436  
economic impact report with respect to each megaproject for 3437  
which the megaproject operator is designated, summarizing all of 3438  
the following for the reporting year: 3439

(a) The aggregate amount of purchases made by the 3440  
megaproject operator for such megaproject from megaproject 3441  
suppliers; 3442

(b) The aggregate amount of purchases made by the 3443  
megaproject operator for such megaproject from suppliers other 3444  
than megaproject suppliers; 3445

(c) A summary of the construction activity for any 3446  
facilities at the site of the megaproject in that year; 3447

(d) The aggregate amount expended by the megaproject 3448  
operator on research and development at the site of the 3449  
megaproject in that year; 3450

(e) The number of employees working at the site of the 3451  
megaproject and the counties in which those employees reside; 3452

(f) A summary of the supply chain activity in support of 3453  
the megaproject, including a list of the twenty-five suppliers 3454  
with a physical presence in Ohio from which the megaproject 3455  
operator made the most purchases in that year. 3456

The economic impact report shall be due on or before the 3457  
first day of July of each year, beginning in the year specified 3458  
in the agreement with the tax credit authority. The information 3459  
required in the report shall be certified as true and correct by 3460  
an officer of the megaproject operator. If there is more than 3461  
one megaproject operator designated for a single megaproject, 3462  
all of the megaproject operators designated for the megaproject 3463  
may jointly submit a single report. Any information contained in 3464

the report is a public record for purposes of section 149.43 of 3465  
the Revised Code and shall be published on the department of 3466  
housing and development's web site. 3467

(E) (1) If a taxpayer fails to meet or comply with any 3468  
condition or requirement set forth in a tax credit agreement, 3469  
the tax credit authority may amend the agreement to reduce the 3470  
percentage or term of the tax credit. The reduction of the 3471  
percentage or term may take effect in the current taxable or 3472  
calendar year. 3473

(2) If the tax credit authority determines that a taxpayer 3474  
that is a megaproject operator of a megaproject described in 3475  
division (A) (11) (a) (ii) of this section is not fully compliant 3476  
with the requirements of the agreement, the authority may impose 3477  
a recoupment payment on the taxpayer in accordance with the 3478  
following: 3479

(a) If, on the metric evaluation date, the taxpayer fails 3480  
to substantially meet the capital investment, full-time 3481  
equivalent employee, or payroll requirements included in the 3482  
agreement, an amount determined at the discretion of the 3483  
authority, not to exceed the sum of the following for all years 3484  
prior to the metric evaluation date: (i) the amount of taxes 3485  
that would have been imposed under Chapters 5739. and 5741. of 3486  
the Revised Code in the absence of the agreement, and (ii) the 3487  
amount of taxes that would have been imposed under Chapter 5751. 3488  
of the Revised Code on receipts realized from sales to the 3489  
taxpayer in the absence of the agreement; 3490

(b) If the taxpayer fails to substantially maintain the 3491  
capital investment, full-time equivalent employee, or payroll 3492  
requirements included in the agreement in any year after the 3493  
metric evaluation date, an amount determined at the discretion 3494



of the authority, not to exceed the sum of the following for the 3495  
calendar year in which taxpayer failed to meet the requirements: 3496  
(i) the amount of taxes that would have been imposed under 3497  
Chapters 5739. and 5741. of the Revised Code in the absence of 3498  
the agreement, and (ii) the amount of taxes that would have been 3499  
imposed under Chapter 5751. of the Revised Code on receipts 3500  
realized from sales to the taxpayer in the absence of the 3501  
agreement. 3502

(3) The tax credit authority may, subject to any 3503  
requirements of the tax credit agreement, take into 3504  
consideration the taxpayer's prior performance and any market 3505  
conditions impacting the taxpayer when determining the amount of 3506  
the recoupment payment described in division (E) (2) of this 3507  
section. 3508

(F) Projects that consist solely of point-of-final- 3509  
purchase retail facilities are not eligible for a tax credit 3510  
under this section. If a project consists of both point-of- 3511  
final-purchase retail facilities and nonretail facilities, only 3512  
the portion of the project consisting of the nonretail 3513  
facilities is eligible for a tax credit and only the excess 3514  
payroll from the nonretail facilities shall be considered when 3515  
computing the amount of the tax credit. If a warehouse facility 3516  
is part of a point-of-final-purchase retail facility and 3517  
supplies only that facility, the warehouse facility is not 3518  
eligible for a tax credit. Catalog distribution centers are not 3519  
considered point-of-final-purchase retail facilities for the 3520  
purposes of this division, and are eligible for tax credits 3521  
under this section. 3522

(G) Financial statements and other information submitted 3523  
to the department of housing and development or the tax credit 3524

authority by an applicant or recipient of a tax credit under 3525  
this section, and any information taken for any purpose from 3526  
such statements or information, are not public records subject 3527  
to section 149.43 of the Revised Code. However, the chairperson 3528  
of the authority may make use of the statements and other 3529  
information for purposes of issuing public reports or in 3530  
connection with court proceedings concerning tax credit 3531  
agreements under this section. Upon the request of the tax 3532  
commissioner or, if the applicant or recipient is an insurance 3533  
company, upon the request of the superintendent of insurance, 3534  
the chairperson of the authority shall provide to the 3535  
commissioner or superintendent any statement or information 3536  
submitted by an applicant or recipient of a tax credit in 3537  
connection with the credit. The commissioner or superintendent 3538  
shall preserve the confidentiality of the statement or 3539  
information. 3540

(H) A taxpayer claiming a credit under this section shall 3541  
submit to the tax commissioner or, if the taxpayer is an 3542  
insurance company, to the superintendent of insurance, a copy of 3543  
the director of housing and development's certificate of 3544  
verification under division (D)(7) of this section with the 3545  
taxpayer's tax report or return for the taxable year or for the 3546  
calendar year that includes the tax period. Failure to submit a 3547  
copy of the certificate with the report or return does not 3548  
invalidate a claim for a credit if the taxpayer submits a copy 3549  
of the certificate to the commissioner or superintendent within 3550  
the time prescribed by section 5703.0510 of the Revised Code or 3551  
within thirty days after the commissioner or superintendent 3552  
requests it. 3553

(I) The director of housing and development, after 3554  
consultation with the tax commissioner and the superintendent of 3555

insurance and in accordance with Chapter 119. of the Revised 3556  
Code, shall adopt rules necessary to implement this section, 3557  
including rules that establish a procedure to be followed by the 3558  
tax credit authority and the department of housing and 3559  
development in the event the authority considers a taxpayer's 3560  
application for which it receives a recommendation under 3561  
division (C) (2) (a) of this section but does not approve it. The 3562  
rules may provide for recipients of tax credits under this 3563  
section to be charged fees to cover administrative costs of the 3564  
tax credit program. For the purposes of these rules, a 3565  
qualifying work-from-home employee shall be considered to be an 3566  
employee employed at the applicant's project location. The fees 3567  
collected shall be credited to the tax incentives operating fund 3568  
created in section 122.174 of the Revised Code. At the time the 3569  
director gives public notice under division (A) of section 3570  
119.03 of the Revised Code of the adoption of the rules, the 3571  
director shall submit copies of the proposed rules to the 3572  
chairpersons of the standing committees on economic development 3573  
in the senate and the house of representatives. 3574

(J) For the purposes of this section, a taxpayer may 3575  
include a partnership, a corporation that has made an election 3576  
under subchapter S of chapter one of subtitle A of the Internal 3577  
Revenue Code, or any other business entity through which income 3578  
flows as a distributive share to its owners. A partnership, S- 3579  
corporation, or other such business entity may elect to pass the 3580  
credit received under this section through to the persons to 3581  
whom the income or profit of the partnership, S-corporation, or 3582  
other entity is distributed. The election shall be made on the 3583  
annual report required under division (D) (6) of this section. 3584  
The election applies to and is irrevocable for the credit for 3585  
which the report is submitted. If the election is made, the 3586

credit shall be apportioned among those persons in the same 3587  
proportions as those in which the income or profit is 3588  
distributed. 3589

(K) (1) If the director of housing and development 3590  
determines that a taxpayer who has received a credit under this 3591  
section is not complying with the requirements of the agreement, 3592  
the director shall notify the tax credit authority of the 3593  
noncompliance. After receiving such a notice, and after giving 3594  
the taxpayer an opportunity to explain the noncompliance, the 3595  
tax credit authority may require the taxpayer to refund to this 3596  
state a portion of the credit in accordance with the following: 3597

(a) If the taxpayer fails to comply with the requirement 3598  
under division (D) (3) of this section, an amount determined in 3599  
accordance with the following: 3600

(i) If the taxpayer maintained operations at the project 3601  
location for a period less than or equal to the term of the 3602  
credit, an amount not exceeding one hundred per cent of the sum 3603  
of any credits allowed and received under this section; 3604

(ii) If the taxpayer maintained operations at the project 3605  
location for a period longer than the term of the credit, but 3606  
less than the greater of seven years or the term of the credit 3607  
plus three years, an amount not exceeding seventy-five per cent 3608  
of the sum of any credits allowed and received under this 3609  
section. 3610

(b) If, on the metric evaluation date, the taxpayer fails 3611  
to substantially meet the job creation, payroll, or investment 3612  
requirements included in the agreement, an amount determined at 3613  
the discretion of the authority; 3614

(c) If the taxpayer fails to substantially maintain the 3615

number of new full-time equivalent employees or amount of 3616  
payroll required under the agreement at any time during the term 3617  
of the agreement after the metric evaluation date, an amount 3618  
determined at the discretion of the authority. 3619

(2) If a taxpayer files for bankruptcy and fails as 3620  
described in division (K) (1) (a), (b), or (c) of this section, 3621  
the director may immediately commence an action to recoup an 3622  
amount not exceeding one hundred per cent of the sum of any 3623  
credits received by the taxpayer under this section. 3624

(3) In determining the portion of the tax credit to be 3625  
refunded to this state, the tax credit authority shall consider 3626  
the effect of market conditions on the taxpayer's project and 3627  
whether the taxpayer continues to maintain other operations in 3628  
this state. After making the determination, the authority shall 3629  
certify the amount to be refunded to the tax commissioner or 3630  
superintendent of insurance, as appropriate. If the amount is 3631  
certified to the commissioner, the commissioner shall make an 3632  
assessment for that amount against the taxpayer under Chapter 3633  
5726., 5733., 5736., 5747., or 5751. of the Revised Code. If the 3634  
amount is certified to the superintendent, the superintendent 3635  
shall make an assessment for that amount against the taxpayer 3636  
under Chapter 5725. or 5729. of the Revised Code. The time 3637  
limitations on assessments under those chapters do not apply to 3638  
an assessment under this division, but the commissioner or 3639  
superintendent, as appropriate, shall make the assessment within 3640  
one year after the date the authority certifies to the 3641  
commissioner or superintendent the amount to be refunded. Within 3642  
ninety days after certifying the amount to be refunded, if 3643  
circumstances have changed, the authority may adjust the amount 3644  
to be refunded and certify the adjusted amount to the 3645  
commissioner or superintendent. The authority may only adjust 3646

the amount to be refunded one time and only if the amount 3647  
initially certified by the authority has not been repaid, in 3648  
whole or in part, by the taxpayer or certified to the attorney 3649  
general for collection under section 131.02 of the Revised Code. 3650

(L) On or before the first day of August each year, the 3651  
director of housing and development shall submit a report to the 3652  
governor, the president of the senate, and the speaker of the 3653  
house of representatives on the tax credit program under this 3654  
section. The report shall include information on the number of 3655  
agreements that were entered into under this section during the 3656  
preceding calendar year, a description of the project that is 3657  
the subject of each such agreement, and an update on the status 3658  
of projects under agreements entered into before the preceding 3659  
calendar year. 3660

(M) There is hereby created the tax credit authority, 3661  
which consists of the director of housing and development and 3662  
four other members appointed as follows: the governor, the 3663  
president of the senate, and the speaker of the house of 3664  
representatives each shall appoint one member who shall be a 3665  
specialist in economic development; the governor also shall 3666  
appoint a member who is a specialist in taxation. Terms of 3667  
office shall be for four years. Each member shall serve on the 3668  
authority until the end of the term for which the member was 3669  
appointed. Vacancies shall be filled in the same manner provided 3670  
for original appointments. Any member appointed to fill a 3671  
vacancy occurring prior to the expiration of the term for which 3672  
the member's predecessor was appointed shall hold office for the 3673  
remainder of that term. Members may be reappointed to the 3674  
authority. Members of the authority shall receive their 3675  
necessary and actual expenses while engaged in the business of 3676  
the authority. The director of housing and development shall 3677

serve as chairperson of the authority, and the members annually 3678  
shall elect a vice-chairperson from among themselves. Three 3679  
members of the authority constitute a quorum to transact and 3680  
vote on the business of the authority. The majority vote of the 3681  
membership of the authority is necessary to approve any such 3682  
business, including the election of the vice-chairperson. 3683

The director of housing and development may appoint a 3684  
professional employee of the department of housing and 3685  
development to serve as the director's substitute at a meeting 3686  
of the authority. The director shall make the appointment in 3687  
writing. In the absence of the director from a meeting of the 3688  
authority, the appointed substitute shall serve as chairperson. 3689  
In the absence of both the director and the director's 3690  
substitute from a meeting, the vice-chairperson shall serve as 3691  
chairperson. 3692

(N) For purposes of the credits granted by this section 3693  
against the taxes imposed under sections 5725.18 and 5729.03 of 3694  
the Revised Code, "taxable year" means the period covered by the 3695  
taxpayer's annual statement to the superintendent of insurance. 3696

(O) On or before the first day of March of each of the 3697  
five calendar years beginning with 2014, each taxpayer subject 3698  
to an agreement with the tax credit authority under this section 3699  
on the basis of home-based employees shall report the number of 3700  
home-based employees and other employees employed by the 3701  
taxpayer in this state to the department of housing and 3702  
development. 3703

(P) On or before the first day of January of 2019, the 3704  
director of housing and development shall submit a report to the 3705  
governor, the president of the senate, and the speaker of the 3706  
house of representatives on the effect of agreements entered 3707

into under this section in which the taxpayer included home- 3708  
based employees in the computation of income tax revenue, as 3709  
that term was defined in this section prior to the amendment of 3710  
this section by H.B. 64 of the 131st general assembly. The 3711  
report shall include information on the number of such 3712  
agreements that were entered into in the preceding six years, a 3713  
description of the projects that were the subjects of such 3714  
agreements, and an analysis of nationwide home-based employment 3715  
trends, including the number of home-based jobs created from 3716  
July 1, 2011, through June 30, 2017, and a description of any 3717  
home-based employment tax incentives provided by other states 3718  
during that time. 3719

(Q) The director of housing and development may require 3720  
any agreement entered into under this section for a tax credit 3721  
computed on the basis of home-based employees to contain a 3722  
provision that the taxpayer makes available health care benefits 3723  
and tuition reimbursement to all employees. 3724

(R) Original agreements approved by the tax credit 3725  
authority under this section in 2014 or 2015 before September 3726  
29, 2015, may be revised at the request of the taxpayer to 3727  
conform with the amendments to this section and sections 3728  
5733.0610, 5736.50, 5747.058, and 5751.50 of the Revised Code by 3729  
H.B. 64 of the 131st general assembly, upon mutual agreement of 3730  
the taxpayer and the department of housing and development, and 3731  
approval by the tax credit authority. 3732

(S) (1) As used in division (S) of this section: 3733

(a) "Eligible agreement" means an agreement approved by 3734  
the tax credit authority under this section on or before 3735  
December 31, 2013. 3736



(b) "Income tax revenue" has the same meaning as under 3737  
this section as it existed before September 29, 2015, the 3738  
effective date of the amendment of this section by H.B. 64 of 3739  
the 131st general assembly. 3740

(2) In calendar year 2016 and thereafter, the tax credit 3741  
authority shall annually determine a withholding adjustment 3742  
factor to be used in the computation of income tax revenue for 3743  
eligible agreements. The withholding adjustment factor shall be 3744  
a numerical percentage that equals the percentage that employer 3745  
income tax withholding rates have been increased or decreased as 3746  
a result of changes in the income tax rates prescribed by 3747  
section 5747.02 of the Revised Code by amendment of that section 3748  
taking effect on or after June 29, 2013. 3749

(3) Except as provided in division (S) (4) of this section, 3750  
for reporting periods ending in 2015 and thereafter for 3751  
taxpayers subject to eligible agreements, the tax credit 3752  
authority shall adjust the income tax revenue reported on the 3753  
taxpayer's annual report by multiplying the withholding 3754  
adjustment factor by the taxpayer's income tax revenue and doing 3755  
one of the following: 3756

(a) If the income tax rates prescribed by section 5747.02 3757  
of the Revised Code have decreased by amendment of that section 3758  
taking effect on or after June 29, 2013, add the product to the 3759  
taxpayer's income tax revenue. 3760

(b) If the income tax rates prescribed by section 5747.02 3761  
of the Revised Code have increased by amendment of that section 3762  
taking effect on or after June 29, 2013, subtract the product 3763  
from the taxpayer's income tax revenue. 3764

(4) Division (S) (3) of this section shall not apply unless 3765

all of the following apply for the reporting period with respect 3766  
to the eligible agreement: 3767

(a) The taxpayer has achieved one hundred per cent of the 3768  
new employment commitment identified in the agreement. 3769

(b) If applicable, the taxpayer has achieved one hundred 3770  
per cent of the new payroll commitment identified in the 3771  
agreement. 3772

(c) If applicable, the taxpayer has achieved one hundred 3773  
per cent of the investment commitment identified in the 3774  
agreement. 3775

(5) Failure by a taxpayer to have achieved any of the 3776  
applicable commitments described in divisions (S) (4) (a) to (c) 3777  
of this section in a reporting period does not disqualify the 3778  
taxpayer for the adjustment under division (S) of this section 3779  
for an ensuing reporting period. 3780

(T) For reporting periods ending in calendar year 2020 or 3781  
thereafter, any taxpayer may include qualifying work-from-home 3782  
employees in its report required under division (D) (6) of this 3783  
section, and the compensation of such employees shall qualify as 3784  
Ohio employee payroll under division (A) (3) (a) of this section, 3785  
even if the taxpayer's application to the tax credit authority 3786  
to enter into an agreement for a tax credit under this section 3787  
was approved before September 29, 2017, the effective date of 3788  
the amendment of this section by H.B. 49 of the 132nd general 3789  
assembly. 3790

(U) The director of housing and development shall notify 3791  
the tax commissioner if the director determines that a 3792  
megaproject operator or megaproject supplier is not in 3793  
compliance with the agreement pursuant to a review conducted 3794

under division (D) (11) of this section. 3795

(V) Beginning in 2025 and in each fifth calendar year 3796  
thereafter, the tax commissioner shall adjust the following 3797  
amounts in September of that year: 3798

(1) The fixed-asset investment threshold described in 3799  
division (A) (11) (c) (i) of this section and the Ohio employee 3800  
payroll threshold described in division (A) (11) (c) (ii) of this 3801  
section by completing the following calculations: 3802

(a) Determine the percentage increase in the gross 3803  
domestic product deflator determined by the bureau of economic 3804  
analysis of the United States department of commerce from the 3805  
first day of January of the fifth preceding calendar year to the 3806  
last day of December of the preceding calendar year; 3807

(b) Multiply that percentage increase by the fixed-asset 3808  
investment threshold and the Ohio employee payroll threshold for 3809  
the current year; 3810

(c) Add the resulting products to the corresponding fixed- 3811  
asset investment threshold and Ohio employee payroll threshold 3812  
for the current year; 3813

(d) Round the resulting fixed-asset investment sum to the 3814  
nearest multiple of ten million dollars and the Ohio employee 3815  
payroll sum to the nearest multiple of one million dollars. 3816

(2) The fixed-asset investment threshold described in 3817  
division (A) (13) (b) (i) of this section and the Ohio employee 3818  
payroll threshold described in division (A) (13) (b) (ii) of this 3819  
section by completing the calculations described in divisions 3820  
(V) (1) (a) to (c) of this section and rounding the resulting 3821  
fixed-asset investment sum to the nearest multiple of one 3822  
million dollars and the Ohio employee payroll sum to the nearest 3823

multiple of one hundred thousand dollars. 3824

The commissioner shall certify the amount of the 3825  
adjustments under divisions (V) (1) and (2) of this section to 3826  
the director of housing and development and to the tax credit 3827  
authority not later than the first day of December of the year 3828  
the commissioner computes the adjustment. Each certified amount 3829  
applies to the ensuing calendar year and each calendar year 3830  
thereafter until the tax commissioner makes a new adjustment. 3831  
The tax commissioner shall not calculate a new adjustment in any 3832  
year in which the resulting amount from the adjustment would be 3833  
less than the corresponding amount for the current year. 3834

**Sec. 122.171.** (A) As used in this section: 3835

(1) "Capital investment project" means a plan of 3836  
investment at a project site for the acquisition, construction, 3837  
renovation, or repair of buildings, machinery, or equipment, or 3838  
for capitalized costs of basic research and new product 3839  
development determined in accordance with generally accepted 3840  
accounting principles, but does not include any of the 3841  
following: 3842

(a) Payments made for the acquisition of personal property 3843  
through operating leases; 3844

(b) Project costs paid before January 1, 2002; 3845

(c) Payments made to a related member as defined in 3846  
section 5733.042 of the Revised Code or to a consolidated 3847  
elected taxpayer or a combined taxpayer as defined in section 3848  
5751.01 of the Revised Code. 3849

(2) "Eligible business" means a taxpayer and its related 3850  
members with Ohio operations that had a capital investment 3851  
project reviewed and approved by the tax credit authority as 3852

provided in divisions (C), (D), and (E) of this section and that 3853  
satisfies either of the following requirements: 3854

(a) If engaged at the project site primarily in 3855  
significant corporate administrative functions, as defined by 3856  
the director of housing and development by rule, the taxpayer 3857  
meets both of the following criteria: 3858

(i) The taxpayer either is located in a foreign trade 3859  
zone, employs at least five hundred full-time equivalent 3860  
employees, or has an annual Ohio employee payroll of at least 3861  
thirty-five million dollars at the time the tax credit authority 3862  
grants the tax credit under this section; 3863

(ii) The taxpayer makes or causes to be made payments for 3864  
the capital investment project of at least twenty million 3865  
dollars in the aggregate at the project site during a period of 3866  
three consecutive calendar years including the calendar year 3867  
that includes a day of the taxpayer's taxable year or tax period 3868  
with respect to which the credit is granted. 3869

(b) If engaged at the project site primarily as a 3870  
manufacturer, the taxpayer makes or causes to be made payments 3871  
for the capital investment project at the project site during a 3872  
period of three consecutive calendar years, including the 3873  
calendar year that includes a day of the taxpayer's taxable year 3874  
or tax period with respect to which the credit is granted, in an 3875  
amount that in the aggregate equals or exceeds the lesser of the 3876  
following: 3877

(i) Fifty million dollars; 3878

(ii) Five per cent of the net book value of all tangible 3879  
personal property used at the project site as of the last day of 3880  
the three-year period in which the capital investment payments 3881

are made. 3882

(3) "Full-time equivalent employees" means the quotient 3883  
obtained by dividing the total number of hours for which 3884  
employees were compensated for employment in the project by two 3885  
thousand eighty. "Full-time equivalent employees" shall exclude 3886  
hours that are counted for a credit under section 122.17 of the 3887  
Revised Code. 3888

(4) "Ohio employee payroll" has the same meaning as in 3889  
section 122.17 of the Revised Code. 3890

(5) "Manufacturer" has the same meaning as in section 3891  
5739.011 of the Revised Code. 3892

(6) "Project site" means an integrated complex of 3893  
facilities in this state, as specified by the tax credit 3894  
authority under this section, within a fifteen-mile radius where 3895  
a taxpayer is primarily operating as an eligible business. 3896

(7) "Related member" has the same meaning as in section 3897  
5733.042 of the Revised Code as that section existed on the 3898  
effective date of its amendment by Am. Sub. H.B. 215 of the 3899  
122nd general assembly, September 29, 1997. 3900

(8) "Taxable year" includes, in the case of a domestic or 3901  
foreign insurance company, the calendar year ending on the 3902  
thirty-first day of December preceding the day the 3903  
superintendent of insurance is required to certify to the 3904  
treasurer of state under section 5725.20 or 5729.05 of the 3905  
Revised Code the amount of taxes due from insurance companies. 3906

(9) "Foreign trade zone" means a general purpose foreign 3907  
trade zone or a special purpose subzone for which, pursuant to 3908  
19 U.S.C. 81a, as amended, a permit for foreign trade zone 3909  
status has been granted and remains active, including special 3910

purpose subzones for which a permit has been granted and remains 3911  
active. 3912

(B) The tax credit authority created under section 122.17 3913  
of the Revised Code may grant a nonrefundable tax credit to an 3914  
eligible business under this section for the purpose of 3915  
fostering job retention in this state. Upon application by an 3916  
eligible business and upon consideration of the determination of 3917  
the director of budget and management, tax commissioner, and the 3918  
superintendent of insurance in the case of an insurance company, 3919  
the recommendation and determination of the director of housing 3920  
and development under division (C)(1) of this section, and a 3921  
review of the criteria described in division (C)(2) of this 3922  
section, the tax credit authority may grant the credit against 3923  
the tax imposed by section 5725.18, 5726.02, 5729.03, 5733.06, 3924  
5736.02, 5747.02, or 5751.02 of the Revised Code. 3925

The credit authorized in this section may be granted for a 3926  
period up to fifteen taxable years or, in the case of the tax 3927  
levied by section 5736.02 or 5751.02 of the Revised Code, for a 3928  
period of up to fifteen calendar years. The credit amount for a 3929  
taxable year or a calendar year that includes the tax period for 3930  
which a credit may be claimed equals the Ohio employee payroll 3931  
for that year multiplied by the percentage specified in the 3932  
agreement with the tax credit authority. The credit shall be 3933  
claimed in the order required under section 5725.98, 5726.98, 3934  
5729.98, 5733.98, 5747.98, or 5751.98 of the Revised Code. In 3935  
determining the percentage and term of the credit, the tax 3936  
credit authority shall consider both the number of full-time 3937  
equivalent employees and the value of the capital investment 3938  
project. The credit amount may not be based on the Ohio employee 3939  
payroll for a calendar year before the calendar year in which 3940  
the tax credit authority specifies the tax credit is to begin, 3941

and the credit shall be claimed only for the taxable years or 3942  
tax periods specified in the eligible business' agreement with 3943  
the tax credit authority. In no event shall the credit be 3944  
claimed for a taxable year or tax period terminating before the 3945  
date specified in the agreement. 3946

If a credit allowed under this section for a taxable year 3947  
or tax period exceeds the taxpayer's tax liability for that year 3948  
or period, the excess may be carried forward for the three 3949  
succeeding taxable or calendar years, but the amount of any 3950  
excess credit allowed in any taxable year or tax period shall be 3951  
deducted from the balance carried forward to the succeeding year 3952  
or period. 3953

(C) (1) A taxpayer that proposes a capital investment 3954  
project to retain jobs in this state may apply to the tax credit 3955  
authority to enter into an agreement for a tax credit under this 3956  
section. The director of housing and development shall prescribe 3957  
the form of the application. After receipt of an application, 3958  
the authority shall forward copies of the application to the 3959  
director of budget and management, the tax commissioner, and the 3960  
superintendent of insurance in the case of an insurance company, 3961  
each of whom shall review the application to determine the 3962  
economic impact the proposed project would have on the state and 3963  
the affected political subdivisions and shall submit a summary 3964  
of their determinations to the authority. The authority shall 3965  
also forward a copy of the application to the director of 3966  
housing and development, who shall review the application to 3967  
determine the economic impact the proposed project would have on 3968  
the state and the affected political subdivisions and shall 3969  
submit a summary of the director's determinations and 3970  
recommendations to the authority. 3971



(2) The director of housing and development, in reviewing 3972  
applications and making recommendations to the tax credit 3973  
authority, and the authority, in selecting taxpayers with which 3974  
to enter into an agreement under division (D) of this section, 3975  
shall give priority to applications that meet one or more of the 3976  
following criteria, with greater priority given to applications 3977  
that meet more of the criteria: (a) Within the preceding five 3978  
years, the applicant has not received a credit under this 3979  
section or section 122.17 of the Revised Code for a project at 3980  
the same project site as that proposed in the application. 3981

(b) The applicant is not currently receiving a credit 3982  
under this section or section 122.17 of the Revised Code. 3983

(c) The applicant has operated at the project site for at 3984  
least the preceding ten years. 3985

(d) The project involves a significant upgrade of the 3986  
project site, rather than only routine maintenance of existing 3987  
facilities, such as an increase in capacity of a facility, new 3988  
product development, or technology upgrades or other facility 3989  
modernization. 3990

(e) The applicant intends to use machinery, equipment, and 3991  
materials supplied by Ohio businesses in the project when 3992  
possible. 3993

(D) Upon review and consideration of the determinations, 3994  
recommendations, and criteria described in division (C) of this 3995  
section, the tax credit authority may enter into an agreement 3996  
with the taxpayer for a credit under this section if the 3997  
authority determines all of the following: 3998

(1) The taxpayer's capital investment project will result 3999  
in the retention of employment in this state. 4000

(2) The taxpayer is economically sound and has the ability 4001  
to complete the proposed capital investment project. 4002

(3) The taxpayer intends to and has the ability to 4003  
maintain operations at the project site for at least the greater 4004  
of (a) the term of the credit plus three years, or (b) seven 4005  
years. 4006

(4) Receiving the credit is a major factor in the 4007  
taxpayer's decision to begin, continue with, or complete the 4008  
project. 4009

(E) An agreement under this section shall include all of 4010  
the following: 4011

(1) A detailed description of the project that is the 4012  
subject of the agreement, including the amount of the 4013  
investment, the period over which the investment has been or is 4014  
being made, the number of full-time equivalent employees at the 4015  
project site, and the anticipated Ohio employee payroll to be 4016  
generated. 4017

(2) The term of the credit, the percentage of the tax 4018  
credit, the maximum annual value of tax credits that may be 4019  
allowed each year, and the first year for which the credit may 4020  
be claimed. 4021

(3) A requirement that the taxpayer maintain operations at 4022  
the project site for at least the greater of (a) the term of the 4023  
credit plus three years, or (b) seven years. 4024

(4) (a) If the taxpayer is engaged at the project site 4025  
primarily in significant corporate administrative functions, a 4026  
requirement that the taxpayer either retain at least five 4027  
hundred full-time equivalent employees at the project site and 4028  
within this state for the entire term of the credit, maintain an 4029

annual Ohio employee payroll of at least thirty-five million 4030  
dollars for the entire term of the credit, or remain located in 4031  
a foreign trade zone for the entire term of the credit; 4032

(b) If the taxpayer is engaged at the project site 4033  
primarily as a manufacturer, a requirement that the taxpayer 4034  
maintain at least the number of full-time equivalent employees 4035  
specified in the agreement pursuant to division (E)(1) of this 4036  
section at the project site and within this state for the entire 4037  
term of the credit. 4038

(5) A requirement that the taxpayer annually report to the 4039  
director of housing and development full-time equivalent 4040  
employees, Ohio employee payroll, capital investment, and other 4041  
information the director needs to perform the director's duties 4042  
under this section. 4043

(6) A requirement that the director of housing and 4044  
development annually review the annual reports of the taxpayer 4045  
to verify the information reported under division (E)(5) of this 4046  
section and compliance with the agreement. Upon verification, 4047  
the director shall issue a certificate to the taxpayer stating 4048  
that the information has been verified and identifying the 4049  
amount of the credit for the taxable year or calendar year that 4050  
includes the tax period. In determining the number of full-time 4051  
equivalent employees, no position shall be counted that is 4052  
filled by an employee who is included in the calculation of a 4053  
tax credit under section 122.17 of the Revised Code. 4054

(7) A provision providing that the taxpayer may not 4055  
relocate a substantial number of employment positions from 4056  
elsewhere in this state to the project site unless the director 4057  
of housing and development determines that the taxpayer notified 4058  
the legislative authority of the county, township, or municipal 4059

corporation from which the employment positions would be 4060  
relocated. 4061

For purposes of this section, the movement of an 4062  
employment position from one political subdivision to another 4063  
political subdivision shall be considered a relocation of an 4064  
employment position unless the movement is confined to the 4065  
project site. The transfer of an employment position from one 4066  
political subdivision to another political subdivision shall not 4067  
be considered a relocation of an employment position if the 4068  
employment position in the first political subdivision is 4069  
replaced by another employment position. 4070

(8) A waiver by the taxpayer of any limitations periods 4071  
relating to assessments or adjustments resulting from the 4072  
taxpayer's failure to comply with the agreement. 4073

(F) If a taxpayer fails to meet or comply with any 4074  
condition or requirement set forth in a tax credit agreement, 4075  
the tax credit authority may amend the agreement to reduce the 4076  
percentage or term of the credit. The reduction of the 4077  
percentage or term may take effect in the current taxable or 4078  
calendar year. 4079

(G) Financial statements and other information submitted 4080  
to the department of housing and development or the tax credit 4081  
authority by an applicant for or recipient of a tax credit under 4082  
this section, and any information taken for any purpose from 4083  
such statements or information, are not public records subject 4084  
to section 149.43 of the Revised Code. However, the chairperson 4085  
of the authority may make use of the statements and other 4086  
information for purposes of issuing public reports or in 4087  
connection with court proceedings concerning tax credit 4088  
agreements under this section. Upon the request of the tax 4089

commissioner, or the superintendent of insurance in the case of 4090  
an insurance company, the chairperson of the authority shall 4091  
provide to the commissioner or superintendent any statement or 4092  
other information submitted by an applicant for or recipient of 4093  
a tax credit in connection with the credit. The commissioner or 4094  
superintendent shall preserve the confidentiality of the 4095  
statement or other information. 4096

(H) A taxpayer claiming a tax credit under this section 4097  
shall submit to the tax commissioner or, in the case of an 4098  
insurance company, to the superintendent of insurance, a copy of 4099  
the director of housing and development's certificate of 4100  
verification under division (E) (6) of this section with the 4101  
taxpayer's tax report or return for the taxable year or for the 4102  
calendar year that includes the tax period. Failure to submit a 4103  
copy of the certificate with the report or return does not 4104  
invalidate a claim for a credit if the taxpayer submits a copy 4105  
of the certificate to the commissioner or superintendent within 4106  
the time prescribed by section 5703.0510 of the Revised Code or 4107  
within thirty days after the commissioner or superintendent 4108  
requests it. 4109

(I) For the purposes of this section, a taxpayer may 4110  
include a partnership, a corporation that has made an election 4111  
under subchapter S of chapter one of subtitle A of the Internal 4112  
Revenue Code, or any other business entity through which income 4113  
flows as a distributive share to its owners. A partnership, S- 4114  
corporation, or other such business entity may elect to pass the 4115  
credit received under this section through to the persons to 4116  
whom the income or profit of the partnership, S-corporation, or 4117  
other entity is distributed. The election shall be made on the 4118  
annual report required under division (E) (5) of this section. 4119  
The election applies to and is irrevocable for the credit for 4120

which the report is submitted. If the election is made, the 4121  
credit shall be apportioned among those persons in the same 4122  
proportions as those in which the income or profit is 4123  
distributed. 4124

(J) (1) If the director of housing and development 4125  
determines that a taxpayer that received a certificate under 4126  
division (E) (6) of this section is not complying with the 4127  
requirements of the agreement, the director shall notify the tax 4128  
credit authority of the noncompliance. After receiving such a 4129  
notice, and after giving the taxpayer an opportunity to explain 4130  
the noncompliance, the authority may terminate the agreement and 4131  
require the taxpayer, or any related member or members that 4132  
claimed the tax credit under division (N) of this section, to 4133  
refund to the state all or a portion of the credit claimed in 4134  
previous years, as follows: 4135

(a) If the taxpayer fails to comply with the requirement 4136  
under division (E) (3) of this section, an amount determined in 4137  
accordance with the following: 4138

(i) If the taxpayer maintained operations at the project 4139  
site for less than or equal to the term of the credit, an amount 4140  
not to exceed one hundred per cent of the sum of any tax credits 4141  
allowed and received under this section. 4142

(ii) If the taxpayer maintained operations at the project 4143  
site longer than the term of the credit, but less than the 4144  
greater of seven years or the term of the credit plus three 4145  
years, the amount required to be refunded shall not exceed 4146  
seventy-five per cent of the sum of any tax credits allowed and 4147  
received under this section. 4148

(b) If the taxpayer fails to substantially, satisfy the 4149

employment, payroll, or location requirements required under the 4150  
agreement, as prescribed under division (E) (4) (a) or (b), as 4151  
applicable to the taxpayer, at any time during the term of the 4152  
agreement or during the post-term reporting period, an amount 4153  
determined at the discretion of the authority. 4154

(2) If a taxpayer files for bankruptcy and fails as 4155  
described in division (J) (1) (a) or (b) of this section, the 4156  
director may immediately commence an action to recoup an amount 4157  
not exceeding one hundred per cent of the sum of any credits 4158  
received by the taxpayer under this section. 4159

(3) In determining the portion of the credit to be 4160  
refunded to this state, the authority shall consider the effect 4161  
of market conditions on the taxpayer's project and whether the 4162  
taxpayer continues to maintain other operations in this state. 4163  
After making the determination, the authority shall certify the 4164  
amount to be refunded to the tax commissioner or the 4165  
superintendent of insurance. If the taxpayer, or any related 4166  
member or members who claimed the tax credit under division (N) 4167  
of this section, is not an insurance company, the commissioner 4168  
shall make an assessment for that amount against the taxpayer 4169  
under Chapter 5726., 5733., 5736., 5747., or 5751. of the 4170  
Revised Code. If the taxpayer, or any related member or members 4171  
that claimed the tax credit under division (N) of this section, 4172  
is an insurance company, the superintendent of insurance shall 4173  
make an assessment under section 5725.222 or 5729.102 of the 4174  
Revised Code. The time limitations on assessments under those 4175  
chapters and sections do not apply to an assessment under this 4176  
division, but the commissioner or superintendent shall make the 4177  
assessment within one year after the date the authority 4178  
certifies to the commissioner or superintendent the amount to be 4179  
refunded. Within ninety days after certifying the amount to be 4180

refunded, if circumstances have changed, the authority may 4181  
adjust the amount to be refunded and certify the adjusted amount 4182  
to the commissioner or superintendent. The authority may only 4183  
adjust the amount to be refunded one time and only if the amount 4184  
initially certified by the authority has not been repaid, in 4185  
whole or in part, by the taxpayer or certified to the attorney 4186  
general for collection under section 131.02 of the Revised Code. 4187

(K) The director of housing and development, after 4188  
consultation with the tax commissioner and the superintendent of 4189  
insurance and in accordance with Chapter 119. of the Revised 4190  
Code, shall adopt rules necessary to implement this section. The 4191  
rules may provide for recipients of tax credits under this 4192  
section to be charged fees to cover administrative costs of the 4193  
tax credit program. The fees collected shall be credited to the 4194  
tax incentives operating fund created in section 122.174 of the 4195  
Revised Code. At the time the director gives public notice under 4196  
division (A) of section 119.03 of the Revised Code of the 4197  
adoption of the rules, the director shall submit copies of the 4198  
proposed rules to the chairpersons of the standing committees on 4199  
economic development in the senate and the house of 4200  
representatives. 4201

(L) On or before the first day of August of each year, the 4202  
director of housing and development shall submit a report to the 4203  
governor, the president of the senate, and the speaker of the 4204  
house of representatives on the tax credit program under this 4205  
section. The report shall include information on the number of 4206  
agreements that were entered into under this section during the 4207  
preceding calendar year, a description of the project that is 4208  
the subject of each such agreement, and an update on the status 4209  
of projects under agreements entered into before the preceding 4210  
calendar year. 4211



(M) The aggregate amount of nonrefundable tax credits 4212  
issued under this section during any calendar year for capital 4213  
investment projects reviewed and approved by the tax credit 4214  
authority may not exceed the following amounts: 4215

(1) For 2010, thirteen million dollars; 4216

(2) For 2011 through 2023, the amount of the limit for the 4217  
preceding calendar year plus thirteen million dollars; 4218

(3) For 2024 and each year thereafter, one hundred ninety- 4219  
five million dollars. 4220

The limitations in division (M) of this section do not 4221  
apply to credits for capital investment projects approved by the 4222  
tax credit authority before July 1, 2009. 4223

(N) This division applies only to an eligible business 4224  
that is part of an affiliated group that includes a diversified 4225  
savings and loan holding company or a grandfathered unitary 4226  
savings and loan holding company, as those terms are defined in 4227  
section 5726.01 of the Revised Code. Notwithstanding any 4228  
contrary provision of the agreement between such an eligible 4229  
business and the tax credit authority, any credit granted under 4230  
this section against the tax imposed by section 5725.18, 4231  
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code to the 4232  
eligible business, at the election of the eligible business and 4233  
without any action by the tax credit authority, may be shared 4234  
with any member or members of the affiliated group that includes 4235  
the eligible business, which member or members may claim the 4236  
credit against the taxes imposed by section 5725.18, 5726.02, 4237  
5729.03, 5733.06, 5747.02, or 5751.02 of the Revised Code. 4238  
Credits shall be claimed by the eligible business in sequential 4239  
order, as applicable, first claiming the credits to the fullest 4240

extent possible against the tax that the certificate holder is 4241  
subject to, then against the tax imposed by, sequentially, 4242  
section 5729.03, 5725.18, 5747.02, 5751.02, and lastly 5726.02 4243  
of the Revised Code. The credits may be allocated among the 4244  
members of the affiliated group in such manner as the eligible 4245  
business elects, but subject to the sequential order required 4246  
under this division. This division applies to credits granted 4247  
before, on, or after March 27, 2013, the effective date of H.B. 4248  
510 of the 129th general assembly. Credits granted before that 4249  
effective date that are shared and allocated under this division 4250  
may be claimed in those calendar years in which the remaining 4251  
taxable years specified in the agreement end. 4252

As used in this division, "affiliated group" means a group 4253  
of two or more persons with fifty per cent or greater of the 4254  
value of each person's ownership interests owned or controlled 4255  
directly, indirectly, or constructively through related 4256  
interests by common owners during all or any portion of the 4257  
taxable year, and the common owners. "Affiliated group" 4258  
includes, but is not limited to, any person eligible to be 4259  
included in a consolidated elected taxpayer group under section 4260  
5751.011 of the Revised Code or a combined taxpayer group under 4261  
section 5751.012 of the Revised Code. 4262

(O) (1) As used in division (O) of this section: 4263

(a) "Eligible agreement" means an agreement approved by 4264  
the tax credit authority under this section on or before 4265  
December 31, 2013. 4266

(b) "Reporting period" means a period corresponding to the 4267  
annual report required under division (E) (5) of this section. 4268

(c) "Income tax revenue" has the same meaning as under 4269

division (S) of section 122.17 of the Revised Code. 4270

(2) In calendar year 2016 and thereafter, the tax credit 4271  
authority shall annually determine a withholding adjustment 4272  
factor to be used in the computation of income tax revenue for 4273  
eligible agreements. The withholding adjustment factor shall be 4274  
a numerical percentage that equals the percentage that employer 4275  
income tax withholding rates have been increased or decreased as 4276  
a result of changes in the income tax rates prescribed by 4277  
section 5747.02 of the Revised Code by amendment of that section 4278  
taking effect on or after June 29, 2013. 4279

(3) Except as provided in division (O) (4) of this section, 4280  
for reporting periods ending in 2015 and thereafter for 4281  
taxpayers subject to eligible agreements, the tax credit 4282  
authority shall adjust the income tax revenue reported on the 4283  
taxpayer's annual report by multiplying the withholding 4284  
adjustment factor by the taxpayer's income tax revenue and doing 4285  
one of the following: 4286

(a) If the income tax rates prescribed by section 5747.02 4287  
of the Revised Code have decreased by amendment of this section 4288  
taking effect on or after June 29, 2013, add the product to the 4289  
taxpayer's income tax revenue. 4290

(b) If the income tax rates prescribed by section 5747.02 4291  
of the Revised Code have increased by amendment of this section 4292  
taking effect on or after June 29, 2013, subtract the product 4293  
from the taxpayer's income tax revenue. 4294

(4) Division (O) (3) of this section shall not apply unless 4295  
all of the following apply with respect to the eligible 4296  
agreement: 4297

(a) If applicable, the taxpayer has achieved one hundred 4298

per cent of the job retention commitment identified in the 4299  
agreement. 4300

(b) If applicable, the taxpayer has achieved one hundred 4301  
per cent of the payroll retention commitment identified in the 4302  
agreement." 4303

(c) If applicable, the taxpayer has achieved one hundred 4304  
per cent of the investment commitment identified in the 4305  
agreement. 4306

(5) Failure by a taxpayer to have achieved any of the 4307  
applicable commitments described in divisions (O) (4) (a) to (c) 4308  
of this section in a reporting period does not disqualify the 4309  
taxpayer for the adjustment under division (O) of this section 4310  
for an ensuing reporting period. 4311

**Sec. 122.172.** (A) As used in this section, "tax liability" 4312  
means the tax owed under section 5733.06 or 5747.02 of the 4313  
Revised Code after allowance of all nonrefundable credits and 4314  
prior to the allowance of all refundable credits. The tax owed 4315  
under section 5733.06 of the Revised Code shall take into 4316  
account any adjustments to such tax required by division (G) of 4317  
section 5733.01 of the Revised Code that apply prior to 4318  
allowance of refundable credits. 4319

(B) (1) The director of housing and development shall 4320  
administer the manufacturing equipment grant program to provide 4321  
grants for new manufacturing machinery and equipment qualifying 4322  
for the grant under section 122.173 of the Revised Code. Except 4323  
as provided in division (C) of this section, the grants apply to 4324  
the taxes imposed by sections 5733.06 and 5747.02 of the Revised 4325  
Code for taxable years ending on or after July 1, 2005. 4326

(2) To claim a grant, a taxpayer satisfying the 4327

requirements of section 122.173 of the Revised Code shall 4328  
complete a grant request form, as prescribed by the director in 4329  
consultation with the tax commissioner, and shall file the form 4330  
with the tax return for the taxable year for which the grant is 4331  
claimed. In no event shall the grant reduce a taxpayer's tax 4332  
liability below the minimum tax owed for the taxable year. The 4333  
grant request form shall provide the information required to 4334  
allow the grant for the taxable year and is subject to audit by 4335  
the director and the commissioner. Any portion of the grant in 4336  
excess of the taxpayer's tax liability shall not be refundable 4337  
but may be carried forward as provided in section 122.173 of the 4338  
Revised Code. Upon the director's request, the commissioner 4339  
shall provide completed grant request forms filed under this 4340  
section to the director in a mutually agreed upon format. 4341

(C) If a taxpayer is required to repay any credit allowed 4342  
under section 5733.33 of the Revised Code for a taxable year 4343  
ending prior to July 1, 2005, for a reason not specified in 4344  
Chapter 5733. or 5747. of the Revised Code, a grant shall be 4345  
available for that taxable year under section 122.173 of the 4346  
Revised Code to the extent provided in that section. 4347

(D) Any tax liability under section 5733.06 or 5747.02 of 4348  
the Revised Code that is underpaid as the result of an improper 4349  
claim for a grant under this section may be assessed by the tax 4350  
commissioner in the manner provided by section 5733.11 or 4351  
5747.11 of the Revised Code. 4352

**Sec. 122.173.** (A) As used in this section: 4353

(1) "Manufacturing machinery and equipment" means engines 4354  
and machinery, and tools and implements, of every kind used, or 4355  
designed to be used, in refining and manufacturing. 4356  
"Manufacturing machinery and equipment" does not include 4357

property acquired after December 31, 1999, that is used: 4358

(a) For the transmission and distribution of electricity; 4359

(b) For the generation of electricity, if fifty per cent 4360  
or more of the electricity that the property generates is 4361  
consumed, during the one-hundred-twenty-month period commencing 4362  
with the date the property is placed in service, by persons that 4363  
are not related members to the person who generates the 4364  
electricity. 4365

(2) "New manufacturing machinery and equipment" means 4366  
manufacturing machinery and equipment, the original use in this 4367  
state of which commences with the taxpayer or with a partnership 4368  
of which the taxpayer is a partner. "New manufacturing machinery 4369  
and equipment" does not include property acquired after December 4370  
31, 1999, that is used: 4371

(a) For the transmission and distribution of electricity; 4372

(b) For the generation of electricity, if fifty per cent 4373  
or more of the electricity that the property generates is 4374  
consumed, during the one-hundred-twenty-month period commencing 4375  
with the date the property is placed in service, by persons that 4376  
are not related members to the person who generates the 4377  
electricity. 4378

(3) (a) "Purchase" has the same meaning as in section 4379  
179(d) (2) of the Internal Revenue Code. 4380

(b) For purposes of this section, any property that is not 4381  
manufactured or assembled primarily by the taxpayer is 4382  
considered purchased at the time the agreement to acquire the 4383  
property becomes binding. Any property that is manufactured or 4384  
assembled primarily by the taxpayer is considered purchased at 4385  
the time the taxpayer places the property in service in the 4386

county for which the taxpayer will calculate the county excess 4387  
amount. 4388

(c) Notwithstanding section 179(d) of the Internal Revenue 4389  
Code, a taxpayer's direct or indirect acquisition of new 4390  
manufacturing machinery and equipment is not purchased on or 4391  
after July 1, 1995, if the taxpayer, or a person whose 4392  
relationship to the taxpayer is described in subparagraphs (A), 4393  
(B), or (C) of section 179(d)(2) of the Internal Revenue Code, 4394  
had directly or indirectly entered into a binding agreement to 4395  
acquire the property at any time prior to July 1, 1995. 4396

(4) "Qualifying period" means the period that begins July 4397  
1, 1995, and ends June 30, 2005. 4398

(5) "County average new manufacturing machinery and 4399  
equipment investment" means either of the following: 4400

(a) The average annual cost of new manufacturing machinery 4401  
and equipment purchased for use in the county during baseline 4402  
years, in the case of a taxpayer that was in existence for more 4403  
than one year during baseline years. 4404

(b) Zero, in the case of a taxpayer that was not in 4405  
existence for more than one year during baseline years. 4406

(6) "Partnership" includes a limited liability company 4407  
formed under former Chapter 1705. ~~or of the Revised Code as that~~ 4408  
chapter existed prior to February 11, 2022, Chapter 1706. of the 4409  
Revised Code, or under the laws of any other state, provided 4410  
that the company is not classified for federal income tax 4411  
purposes as an association taxable as a corporation. 4412

(7) "Partner" includes a member of a limited liability 4413  
company formed under former Chapter 1705. ~~or of the Revised Code~~ 4414  
as that chapter existed prior to February 11, 2022, Chapter 4415

1706. of the Revised Code, or under the laws of any other state, 4416  
provided that the company is not classified for federal income 4417  
tax purposes as an association taxable as a corporation. 4418

(8) "Distressed area" has the same meaning as in section 4419  
122.16 of the Revised Code. 4420

(9) "Eligible area" means a distressed area, a labor 4421  
surplus area, an inner city area, or a situational distress 4422  
area. 4423

(10) "Inner city area" means, in a municipal corporation 4424  
that has a population of at least one hundred thousand and does 4425  
not meet the criteria of a labor surplus area or a distressed 4426  
area, targeted investment areas established by the municipal 4427  
corporation within its boundaries that are comprised of the most 4428  
recent census block tracts that individually have at least 4429  
twenty per cent of their population at or below the state 4430  
poverty level or other census block tracts contiguous to such 4431  
census block tracts. 4432

(11) "Labor surplus area" means an area designated as a 4433  
labor surplus area by the United States department of labor. 4434

(12) "Official poverty line" has the same meaning as in 4435  
division (A) of section 3923.51 of the Revised Code. 4436

(13) "Situational distress area" means a county or a 4437  
municipal corporation that has experienced or is experiencing a 4438  
closing or downsizing of a major employer that will adversely 4439  
affect the county's or municipal corporation's economy. In order 4440  
to be designated as a situational distress area, for a period 4441  
not to exceed thirty-six months, the county or municipal 4442  
corporation may petition the director of housing and 4443  
development. The petition shall include written documentation 4444



that demonstrates all of the following adverse effects on the 4445  
local economy: 4446

(a) The number of jobs lost by the closing or downsizing; 4447

(b) The impact that the job loss has on the county's or 4448  
municipal corporation's unemployment rate as measured by the 4449  
state director of job and family services; 4450

(c) The annual payroll associated with the job loss; 4451

(d) The amount of state and local taxes associated with 4452  
the job loss; 4453

(e) The impact that the closing or downsizing has on 4454  
suppliers located in the county or municipal corporation. 4455

(14) "Cost" has the same meaning and limitation as in 4456  
section 179(d) (3) of the Internal Revenue Code. 4457

(15) "Baseline years" means: 4458

(a) Calendar years 1992, 1993, and 1994, with regard to a 4459  
grant claimed for the purchase during calendar year 1995, 1996, 4460  
1997, or 1998 of new manufacturing machinery and equipment; 4461

(b) Calendar years 1993, 1994, and 1995, with regard to a 4462  
grant claimed for the purchase during calendar year 1999 of new 4463  
manufacturing machinery and equipment; 4464

(c) Calendar years 1994, 1995, and 1996, with regard to a 4465  
grant claimed for the purchase during calendar year 2000 of new 4466  
manufacturing machinery and equipment; 4467

(d) Calendar years 1995, 1996, and 1997, with regard to a 4468  
grant claimed for the purchase during calendar year 2001 of new 4469  
manufacturing machinery and equipment; 4470

(e) Calendar years 1996, 1997, and 1998, with regard to a 4471

grant claimed for the purchase during calendar year 2002 of new 4472  
manufacturing machinery and equipment; 4473

(f) Calendar years 1997, 1998, and 1999, with regard to a 4474  
grant claimed for the purchase during calendar year 2003 of new 4475  
manufacturing machinery and equipment; 4476

(g) Calendar years 1998, 1999, and 2000, with regard to a 4477  
grant claimed for the purchase during calendar year 2004 of new 4478  
manufacturing machinery and equipment; 4479

(h) Calendar years 1999, 2000, and 2001, with regard to a 4480  
grant claimed for the purchase on or after January 1, 2005, and 4481  
on or before June 30, 2005, of new manufacturing machinery and 4482  
equipment. 4483

(16) "Related member" has the same meaning as in section 4484  
5733.042 of the Revised Code. 4485

(17) "Qualifying controlled group" has the same meaning as 4486  
in section 5733.04 of the Revised Code. 4487

(18) "Tax liability" has the same meaning as in section 4488  
122.172 of the Revised Code. 4489

(B) (1) Subject to divisions (I) and (J) of this section, a 4490  
grant is allowed against the tax imposed by section 5733.06 or 4491  
5747.02 of the Revised Code for a taxpayer that purchases new 4492  
manufacturing machinery and equipment during the qualifying 4493  
period, provided that the new manufacturing machinery and 4494  
equipment are installed in this state not later than June 30, 4495  
2006. 4496

(2) (a) Except as otherwise provided in division (B) (2) (b) 4497  
of this section, a grant may be claimed under this section in 4498  
excess of one million dollars only if the cost of all 4499

manufacturing machinery and equipment owned in this state by the 4500  
taxpayer claiming the grant on the last day of the calendar year 4501  
exceeds the cost of all manufacturing machinery and equipment 4502  
owned in this state by the taxpayer on the first day of that 4503  
calendar year. 4504

As used in division (B) (2) (a) of this section, "calendar 4505  
year" means the calendar year in which the machinery and 4506  
equipment for which the grant is claimed was purchased. 4507

(b) Division (B) (2) (a) of this section does not apply if 4508  
the taxpayer claiming the grant applies for and is issued a 4509  
waiver of the requirement of that division. A taxpayer may apply 4510  
to the director of housing and development for such a waiver in 4511  
the manner prescribed by the director, and the director may 4512  
issue such a waiver if the director determines that granting the 4513  
grant is necessary to increase or retain employees in this 4514  
state, and that the grant has not caused relocation of 4515  
manufacturing machinery and equipment among counties within this 4516  
state for the primary purpose of qualifying for the grant. 4517

(C) (1) Except as otherwise provided in division (C) (2) and 4518  
division (I) of this section, the grant amount is equal to seven 4519  
and one-half per cent of the excess of the cost of the new 4520  
manufacturing machinery and equipment purchased during the 4521  
calendar year for use in a county over the county average new 4522  
manufacturing machinery and equipment investment for that 4523  
county. 4524

(2) Subject to division (I) of this section, as used in 4525  
division (C) (2) of this section, "county excess" means the 4526  
taxpayer's excess cost for a county as computed under division 4527  
(C) (1) of this section. 4528

Subject to division (I) of this section, a taxpayer with a  
county excess, whose purchases included purchases for use in any  
eligible area in the county, the grant amount is equal to  
thirteen and one-half per cent of the cost of the new  
manufacturing machinery and equipment purchased during the  
calendar year for use in the eligible areas in the county,  
provided that the cost subject to the thirteen and one-half per  
cent rate shall not exceed the county excess. If the county  
excess is greater than the cost of the new manufacturing  
machinery and equipment purchased during the calendar year for  
use in eligible areas in the county, the grant amount also shall  
include an amount equal to seven and one-half per cent of the  
amount of the difference.

(3) If a taxpayer is allowed a grant for purchases of new  
manufacturing machinery and equipment in more than one county or  
eligible area, it shall aggregate the amount of those grants  
each year.

(4) Except as provided in division (J) of this section,  
the taxpayer shall claim one-seventh of the grant amount for the  
taxable year ending in the calendar year in which the new  
manufacturing machinery and equipment is purchased for use in  
the county by the taxpayer or partnership. One-seventh of the  
taxpayer grant amount is allowed for each of the six ensuing  
taxable years. Except for carried-forward amounts, the taxpayer  
is not allowed any grant amount remaining if the new  
manufacturing machinery and equipment is sold by the taxpayer or  
partnership or is transferred by the taxpayer or partnership out  
of the county before the end of the seven-year period unless, at  
the time of the sale or transfer, the new manufacturing  
machinery and equipment has been fully depreciated for federal  
income tax purposes.

(5) (a) A taxpayer that acquires manufacturing machinery 4560  
and equipment as a result of a merger with the taxpayer with 4561  
whom commenced the original use in this state of the 4562  
manufacturing machinery and equipment, or with a taxpayer that 4563  
was a partner in a partnership with whom commenced the original 4564  
use in this state of the manufacturing machinery and equipment, 4565  
is entitled to any remaining or carried-forward grant amounts to 4566  
which the taxpayer was entitled. 4567

(b) A taxpayer that enters into an agreement under 4568  
division (C) (3) of section 5709.62 of the Revised Code and that 4569  
acquires manufacturing machinery or equipment as a result of 4570  
purchasing a large manufacturing facility, as defined in section 4571  
5709.61 of the Revised Code, from another taxpayer with whom 4572  
commenced the original use in this state of the manufacturing 4573  
machinery or equipment, and that operates the large 4574  
manufacturing facility so purchased, is entitled to any 4575  
remaining or carried-forward grant amounts to which the other 4576  
taxpayer who sold the facility would have been entitled under 4577  
this section had the other taxpayer not sold the manufacturing 4578  
facility or equipment. 4579

(c) New manufacturing machinery and equipment is not 4580  
considered sold if a pass-through entity transfers to another 4581  
pass-through entity substantially all of its assets as part of a 4582  
plan of reorganization under which substantially all gain and 4583  
loss is not recognized by the pass-through entity that is 4584  
transferring the new manufacturing machinery and equipment to 4585  
the transferee and under which the transferee's basis in the new 4586  
manufacturing machinery and equipment is determined, in whole or 4587  
in part, by reference to the basis of the pass-through entity 4588  
that transferred the new manufacturing machinery and equipment 4589  
to the transferee. 4590

(d) Division (C) (5) of this section applies only if the 4591  
acquiring taxpayer or transferee does not sell the new 4592  
manufacturing machinery and equipment or transfer the new 4593  
manufacturing machinery and equipment out of the county before 4594  
the end of the seven-year period to which division (C) (4) of 4595  
this section refers. 4596

(e) Division (C) (5) (b) of this section applies only to the 4597  
extent that the taxpayer that sold the manufacturing machinery 4598  
or equipment, upon request, timely provides to the tax 4599  
commissioner any information that the tax commissioner considers 4600  
to be necessary to ascertain any remaining or carried-forward 4601  
amounts to which the taxpayer that sold the facility would have 4602  
been entitled under this section had the taxpayer not sold the 4603  
manufacturing machinery or equipment. Nothing in division (C) (5) 4604  
(b) or (e) of this section shall be construed to allow a 4605  
taxpayer to claim any grant amount with respect to the acquired 4606  
manufacturing machinery or equipment that is greater than the 4607  
amount that would have been available to the other taxpayer that 4608  
sold the manufacturing machinery or equipment had the other 4609  
taxpayer not sold the manufacturing machinery or equipment. 4610

(D) The taxpayer shall claim the grant allowed by this 4611  
section in the manner provided by section 122.172 of the Revised 4612  
Code. Any portion of the grant in excess of the taxpayer's tax 4613  
liability for the taxable year shall not be refundable but may 4614  
be carried forward for the next three consecutive taxable years. 4615

(E) A taxpayer purchasing new manufacturing machinery and 4616  
equipment and intending to claim the grant shall file, with the 4617  
director of housing and development, a notice of intent to claim 4618  
the grant on a form prescribed by the director of housing and 4619  
development. The director of housing and development shall 4620

inform the tax commissioner of the notice of intent to claim the 4621  
grant. No grant may be claimed under this section for any 4622  
manufacturing machinery and equipment with respect to which a 4623  
notice was not filed by the date of a timely filed return, 4624  
including extensions, for the taxable year that includes 4625  
September 30, 2005, but a notice filed on or before such date 4626  
under division (E) of section 5733.33 of the Revised Code of the 4627  
intent to claim the credit under that section also shall be 4628  
considered a notice of the intent to claim a grant under this 4629  
section. 4630

(F) The director of housing and development shall annually 4631  
certify, by the first day of January of each year during the 4632  
qualifying period, the eligible areas for the tax grant for the 4633  
calendar year that includes that first day of January. The 4634  
director shall send a copy of the certification to the tax 4635  
commissioner. 4636

(G) New manufacturing machinery and equipment for which a 4637  
taxpayer claims the credit under section 5733.31 or 5733.311 of 4638  
the Revised Code shall not be considered new manufacturing 4639  
machinery and equipment for purposes of the grant under this 4640  
section. 4641

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 4642  
Revised Code, but subject to division (H) (2) of this section, 4643  
the tax commissioner may issue an assessment against a person 4644  
with respect to a grant claimed under this section for new 4645  
manufacturing machinery and equipment described in division (A) 4646  
(1) (b) or (2) (b) of this section, if the machinery or equipment 4647  
subsequently does not qualify for the grant. 4648

(2) Division (H) (1) of this section shall not apply after 4649  
the twenty-fourth month following the last day of the period 4650

described in divisions (A) (1) (b) and (2) (b) of this section. 4651

(I) Notwithstanding any other provision of this section to 4652  
the contrary, in the case of a qualifying controlled group, the 4653  
grant available under this section to a taxpayer or taxpayers in 4654  
the qualifying controlled group shall be computed as if all 4655  
corporations in the group were a single corporation. The grant 4656  
shall be allocated to such a taxpayer or taxpayers in the group 4657  
in any amount elected for the taxable year by the group. The 4658  
election shall be revocable and amendable during the period 4659  
described in division (B) of section 5733.12 of the Revised 4660  
Code. 4661

This division applies to all purchases of new 4662  
manufacturing machinery and equipment made on or after January 4663  
1, 2001, and to all baseline years used to compute any grant 4664  
attributable to such purchases; provided, that this division may 4665  
be applied solely at the election of the qualifying controlled 4666  
group with respect to all purchases of new manufacturing 4667  
machinery and equipment made before that date, and to all 4668  
baseline years used to compute any grant attributable to such 4669  
purchases. The qualifying controlled group at any time may elect 4670  
to apply this division to purchases made prior to January 1, 4671  
2001, subject to the following: 4672

(1) The election is irrevocable; 4673

(2) The election need not accompany a timely filed report, 4674  
but the election may accompany a subsequently filed but timely 4675  
application for refund, a subsequently filed but timely amended 4676  
report, or a subsequently filed but timely petition for 4677  
reassessment. 4678

(J) Except as provided in division (B) of section 122.172 4679



of the Revised Code, no grant under this section may be claimed 4680  
for any taxable year for which a credit is allowed under section 4681  
5733.33 of the Revised Code. If the tax imposed by section 4682  
5733.06 of the Revised Code for which a grant is allowed under 4683  
this section has been prorated under division (G)(2) of section 4684  
5733.01 of the Revised Code, the grant shall be prorated by the 4685  
same percentage as the tax. 4686

**Sec. 122.174.** There is hereby created in the state 4687  
treasury the tax incentives operating fund. The fund shall 4688  
consist of any amounts appropriated to it and money credited to 4689  
the fund pursuant to section 122.151, 122.154, 122.17, 122.171, 4690  
122.175, 122.85, 122.86, 3735.672, 5709.68, or 5725.33 of the 4691  
Revised Code. The director of housing and development services 4692  
shall use money in the fund to pay expenses related to the 4693  
administration of (A) the business services division of the 4694  
department of housing and development ~~services agency~~ and (B) 4695  
the programs described in those sections. 4696

**Sec. 122.175.** (A) As used in this section: 4697

(1) "Capital investment project" means a plan of 4698  
investment at a project site for the acquisition, construction, 4699  
renovation, expansion, replacement, or repair of a computer data 4700  
center or of computer data center equipment, but does not 4701  
include any of the following: 4702

(a) Project costs paid before a date determined by the tax 4703  
credit authority for each capital investment project; 4704

(b) Payments made to a related member as defined in 4705  
section 5733.042 of the Revised Code or to a consolidated 4706  
elected taxpayer or a combined taxpayer as defined in section 4707  
5751.01 of the Revised Code. 4708

(2) "Computer data center" means a facility used or to be 4709  
used primarily to house computer data center equipment used or 4710  
to be used in conducting one or more computer data center 4711  
businesses, as determined by the tax credit authority. 4712

(3) "Computer data center business" means, as may be 4713  
further determined by the tax credit authority, a business that 4714  
provides electronic information services as defined in division 4715  
(Y) (1) (c) of section 5739.01 of the Revised Code, or that leases 4716  
a facility to one or more such businesses. "Computer data center 4717  
business" does not include providing electronic publishing as 4718  
defined in that section. 4719

(4) "Computer data center equipment" means tangible 4720  
personal property used or to be used for any of the following: 4721

(a) To conduct a computer data center business, including 4722  
equipment cooling systems to manage the performance of computer 4723  
data center equipment; 4724

(b) To generate, transform, transmit, distribute, or 4725  
manage electricity necessary to operate the tangible personal 4726  
property used or to be used in conducting a computer data center 4727  
business; 4728

(c) As building and construction materials sold to 4729  
construction contractors for incorporation into a computer data 4730  
center. 4731

(5) "Eligible computer data center" means a computer data 4732  
center that satisfies all of the following requirements: 4733

(a) One or more taxpayers operating a computer data center 4734  
business at the project site will, in the aggregate, make 4735  
payments for a capital investment project of at least one 4736  
hundred million dollars at the project site during one of the 4737

following cumulative periods: 4738

(i) For projects beginning in 2013, six consecutive 4739  
calendar years; 4740

(ii) For projects beginning in 2014, four consecutive 4741  
calendar years; 4742

(iii) For projects beginning in or after 2015, three 4743  
consecutive calendar years. 4744

(b) One or more taxpayers operating a computer data center 4745  
business at the project site will, in the aggregate, pay annual 4746  
compensation that is subject to the withholding obligation 4747  
imposed under section 5747.06 of the Revised Code of at least 4748  
one million five hundred thousand dollars to employees employed 4749  
at the project site for each year of the agreement beginning on 4750  
or after the first day of the twenty-fifth month after the 4751  
agreement was entered into under this section. 4752

(6) "Person" has the same meaning as in section 5701.01 of 4753  
the Revised Code. 4754

(7) "Project site," "related member," and "tax credit 4755  
authority" have the same meanings as in sections 122.17 and 4756  
122.171 of the Revised Code. 4757

(8) "Taxpayer" means any person subject to the taxes 4758  
imposed under Chapters 5739. and 5741. of the Revised Code. 4759

(B) The tax credit authority may completely or partially 4760  
exempt from the taxes levied under Chapters 5739. and 5741. of 4761  
the Revised Code the sale, storage, use, or other consumption of 4762  
computer data center equipment used or to be used at an eligible 4763  
computer data center. Any such exemption shall extend to charges 4764  
for the delivery, installation, or repair of the computer data 4765

center equipment subject to the exemption under this section. 4766

(C) A taxpayer that proposes a capital improvement project 4767  
for an eligible computer data center in this state may apply to 4768  
the tax credit authority to enter into an agreement under this 4769  
section authorizing a complete or partial exemption from the 4770  
taxes imposed under Chapters 5739. and 5741. of the Revised Code 4771  
on computer data center equipment purchased by the applicant or 4772  
any other taxpayer that operates a computer data center business 4773  
at the project site and used or to be used at the eligible 4774  
computer data center. The director of housing and development 4775  
~~services~~ shall prescribe the form of the application. After 4776  
receipt of an application, the authority shall forward copies of 4777  
the application to the director of budget and management and the 4778  
tax commissioner, each of whom shall review the application to 4779  
determine the economic impact that the proposed eligible 4780  
computer data center would have on the state and any affected 4781  
political subdivisions and submit to the authority a summary of 4782  
their determinations. The authority shall also forward a copy of 4783  
the application to the director of housing and development 4784  
~~services~~ who shall review the application to determine the 4785  
economic impact that the proposed eligible computer data center 4786  
would have on the state and the affected political subdivisions 4787  
and shall submit a summary of their determinations and 4788  
recommendations to the authority. 4789

(D) Upon review and consideration of such determinations 4790  
and recommendations, the tax credit authority may enter into an 4791  
agreement with the applicant and any other taxpayer that 4792  
operates a computer data center business at the project site for 4793  
a complete or partial exemption from the taxes imposed under 4794  
Chapters 5739. and 5741. of the Revised Code on computer data 4795  
center equipment used or to be used at an eligible computer data 4796

center if the authority determines all of the following: 4797

(1) The capital investment project for the eligible 4798  
computer data center will increase payroll and the amount of 4799  
income taxes to be withheld from employee compensation pursuant 4800  
to section 5747.06 of the Revised Code. 4801

(2) The applicant is economically sound and has the 4802  
ability to complete or effect the completion of the proposed 4803  
capital investment project. 4804

(3) The applicant intends to and has the ability to 4805  
maintain operations at the project site for the term of the 4806  
agreement. 4807

(4) Receiving the exemption is a major factor in the 4808  
applicant's decision to begin, continue with, or complete the 4809  
capital investment project. 4810

(E) An agreement entered into under this section shall 4811  
include all of the following: 4812

(1) A detailed description of the capital investment 4813  
project that is the subject of the agreement, including the 4814  
amount of the investment, the period over which the investment 4815  
has been or is being made, the annual compensation to be paid by 4816  
each taxpayer subject to the agreement to its employees at the 4817  
project site, and the anticipated amount of income taxes to be 4818  
withheld from employee compensation pursuant to section 5747.06 4819  
of the Revised Code. 4820

(2) The percentage of the exemption from the taxes imposed 4821  
under Chapters 5739. and 5741. of the Revised Code for the 4822  
computer data center equipment used or to be used at the 4823  
eligible computer data center, the length of time the computer 4824  
data center equipment will be exempted, and the first date on 4825

which the exemption applies.

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(3) A requirement that the computer data center remain an eligible computer data center during the term of the agreement and that the applicant maintain operations at the eligible computer data center during that term. An applicant does not violate the requirement described in division (E)(3) of this section if the applicant ceases operations at the eligible computer data center during the term of the agreement but resumes those operations within eighteen months after the date of cessation. The agreement shall provide that, in such a case, the applicant and any other taxpayer that operates a computer data center business at the project site shall not claim the tax exemption authorized in the agreement for any purchase of computer data center equipment made during the period in which the applicant did not maintain operations at the eligible computer data center.

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(4) A requirement that, for each year of the term of the agreement beginning on or after the first day of the twenty-fifth month after the date the agreement was entered into, one or more taxpayers operating a computer data center business at the project site will, in the aggregate, pay annual compensation that is subject to the withholding obligation imposed under section 5747.06 of the Revised Code of at least one million five hundred thousand dollars to employees at the eligible computer data center.

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(5) A requirement that each taxpayer subject to the agreement annually report to the director of housing and development services—employment, tax withholding, capital investment, and other information required by the director to perform the director's duties under this section.

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(6) A requirement that the director of housing and 4856  
development ~~services~~ annually review the annual reports of each 4857  
taxpayer subject to the agreement to verify the information 4858  
reported under division (E) (5) of this section and compliance 4859  
with the agreement. Upon verification, the director shall issue 4860  
a certificate to each such taxpayer stating that the information 4861  
has been verified and that the taxpayer remains eligible for the 4862  
exemption specified in the agreement. 4863

(7) A provision providing that the taxpayers subject to 4864  
the agreement may not relocate a substantial number of 4865  
employment positions from elsewhere in this state to the project 4866  
site unless the director of housing and development ~~services~~ 4867  
determines that the appropriate taxpayer notified the 4868  
legislative authority of the county, township, or municipal 4869  
corporation from which the employment positions would be 4870  
relocated. For purposes of this paragraph, the movement of an 4871  
employment position from one political subdivision to another 4872  
political subdivision shall be considered a relocation of an 4873  
employment position unless the movement is confined to the 4874  
project site. The transfer of an employment position from one 4875  
political subdivision to another political subdivision shall not 4876  
be considered a relocation of an employment position if the 4877  
employment position in the first political subdivision is 4878  
replaced by another employment position. 4879

(8) A waiver by each taxpayer subject to the agreement of 4880  
any limitations periods relating to assessments or adjustments 4881  
resulting from the taxpayer's failure to comply with the 4882  
agreement. 4883

(F) The term of an agreement under this section shall be 4884  
determined by the tax credit authority, and the amount of the 4885

exemption shall not exceed one hundred per cent of such taxes 4886  
that would otherwise be owed in respect to the exempted computer 4887  
data center equipment. 4888

(G) If any taxpayer subject to an agreement under this 4889  
section fails to meet or comply with any condition or 4890  
requirement set forth in the agreement, the tax credit authority 4891  
may amend the agreement to reduce the percentage of the 4892  
exemption or term during which the exemption applies to the 4893  
computer data center equipment used or to be used by the 4894  
noncompliant taxpayer at an eligible computer data center. The 4895  
reduction of the percentage or term may take effect in the 4896  
current calendar year. 4897

(H) Financial statements and other information submitted 4898  
to the department of housing and development services or the tax 4899  
credit authority by an applicant for or recipient of an 4900  
exemption under this section, and any information taken for any 4901  
purpose from such statements or information, are not public 4902  
records subject to section 149.43 of the Revised Code. However, 4903  
the chairperson of the authority may make use of the statements 4904  
and other information for purposes of issuing public reports or 4905  
in connection with court proceedings concerning tax exemption 4906  
agreements under this section. Upon the request of the tax 4907  
commissioner, the chairperson of the authority shall provide to 4908  
the tax commissioner any statement or other information 4909  
submitted by an applicant for or recipient of an exemption under 4910  
this section. The tax commissioner shall preserve the 4911  
confidentiality of the statement or other information. 4912

(I) The tax commissioner shall issue a direct payment 4913  
permit under section 5739.031 of the Revised Code to each 4914  
taxpayer subject to an agreement under this section. Such direct 4915



payment permit shall authorize the taxpayer to pay any sales and 4916  
use taxes due on purchases of computer data center equipment 4917  
used or to be used in an eligible computer data center and to 4918  
pay any sales and use taxes due on purchases of tangible 4919  
personal property or taxable services other than computer data 4920  
center equipment used or to be used in an eligible computer data 4921  
center directly to the tax commissioner. Each such taxpayer 4922  
shall pay pursuant to such direct payment permit all sales tax 4923  
levied on such purchases under sections 5739.02, 5739.021, 4924  
5739.023, and 5739.026 of the Revised Code and all use tax 4925  
levied on such purchases under sections 5741.02, 5741.021, 4926  
5741.022, and 5741.023 of the Revised Code, consistent with the 4927  
terms of the agreement entered into under this section. 4928

During the term of an agreement under this section each 4929  
taxpayer subject to the agreement shall submit to the tax 4930  
commissioner a return that shows the amount of computer data 4931  
center equipment purchased for use at the eligible computer data 4932  
center, the amount of tangible personal property and taxable 4933  
services other than computer data center equipment purchased for 4934  
use at the eligible computer data center, the amount of tax 4935  
under Chapter 5739. or 5741. of the Revised Code that would be 4936  
due in the absence of the agreement under this section, the 4937  
exemption percentage for computer data center equipment 4938  
specified in the agreement, and the amount of tax due under 4939  
Chapter 5739. or 5741. of the Revised Code as a result of the 4940  
agreement under this section. Each such taxpayer shall pay the 4941  
tax shown on the return to be due in the manner and at the times 4942  
as may be further prescribed by the tax commissioner. Each such 4943  
taxpayer shall include a copy of the director of ~~development-~~ 4944  
~~services'~~ housing and development's certificate of verification 4945  
issued under division (E) (6) of this section. Failure to submit 4946

a copy of the certificate with the return does not invalidate 4947  
the claim for exemption if the taxpayer submits a copy of the 4948  
certificate to the tax commissioner within the time prescribed 4949  
by section 5703.0510 of the Revised Code. 4950

(J) If the director of housing and development ~~services~~ 4951  
determines that one or more taxpayers received an exemption from 4952  
taxes due on the purchase of computer data center equipment 4953  
purchased for use at a computer data center that no longer 4954  
complies with the requirement under division (E) (3) of this 4955  
section, the director shall notify the tax credit authority and, 4956  
if applicable, the taxpayer that applied to enter the agreement 4957  
for the exemption under division (C) of this section of the 4958  
noncompliance. After receiving such a notice, and after giving 4959  
each taxpayer subject to the agreement an opportunity to explain 4960  
the noncompliance, the authority may terminate the agreement and 4961  
require each such taxpayer to pay to the state all or a portion 4962  
of the taxes that would have been owed in regards to the exempt 4963  
equipment in previous years, all as determined under rules 4964  
adopted pursuant to division (K) of this section. In determining 4965  
the portion of the taxes that would have been owed on the 4966  
previously exempted equipment to be paid to this state by a 4967  
taxpayer, the authority shall consider the effect of market 4968  
conditions on the eligible computer data center, whether the 4969  
taxpayer continues to maintain other operations in this state, 4970  
and, with respect to agreements involving multiple taxpayers, 4971  
the taxpayer's level of responsibility for the noncompliance. 4972  
After making the determination, the authority shall certify to 4973  
the tax commissioner the amount to be paid by each taxpayer 4974  
subject to the agreement. The tax commissioner shall make an 4975  
assessment for that amount against each such taxpayer under 4976  
Chapter 5739. or 5741. of the Revised Code. The time limitations 4977

on assessments under those chapters do not apply to an 4978  
assessment under this division, but the tax commissioner shall 4979  
make the assessment within one year after the date the authority 4980  
certifies to the tax commissioner the amount to be paid by the 4981  
taxpayer. 4982

(K) The director of housing and development~~services~~, 4983  
after consultation with the tax commissioner and in accordance 4984  
with Chapter 119. of the Revised Code, shall adopt rules 4985  
necessary to implement this section. The rules may provide for 4986  
recipients of tax exemptions under this section to be charged 4987  
fees to cover administrative costs incurred in the 4988  
administration of this section. The fees collected shall be 4989  
credited to the tax incentives operating fund created in section 4990  
122.174 of the Revised Code. At the time the director gives 4991  
public notice under division (A) of section 119.03 of the 4992  
Revised Code of the adoption of the rules, the director shall 4993  
submit copies of the proposed rules to the chairpersons of the 4994  
standing committees on economic development in the senate and 4995  
the house of representatives. 4996

(L) On or before the first day of August of each year, the 4997  
director of housing and development ~~services~~ shall submit a 4998  
report to the governor, the president of the senate, and the 4999  
speaker of the house of representatives on the tax exemption 5000  
authorized under this section. The report shall include 5001  
information on the number of agreements that were entered into 5002  
under this section during the preceding calendar year, a 5003  
description of the eligible computer data center that is the 5004  
subject of each such agreement, and an update on the status of 5005  
eligible computer data centers under agreements entered into 5006  
before the preceding calendar year. 5007

(M) A taxpayer may be made a party to an existing 5008  
agreement entered into under this section by the tax credit 5009  
authority and another taxpayer or group of taxpayers. In such a 5010  
case, the taxpayer shall be entitled to all benefits and bound 5011  
by all obligations contained in the agreement and all 5012  
requirements described in this section. When an agreement 5013  
includes multiple taxpayers, each taxpayer shall be entitled to 5014  
a direct payment permit as authorized in division (I) of this 5015  
section. 5016

**Sec. 122.176.** (A) For purposes of this section: 5017

(1) "Vacant commercial space" means space that has been 5018  
unoccupied and available for use in a trade or business for the 5019  
twelve months immediately preceding the lease or purchase date 5020  
described in division (B) of this section, located in either of 5021  
the following: 5022

(a) A building, seventy-five per cent or more of the 5023  
square footage of which has been unoccupied and available for 5024  
use in a trade or business for the twelve months immediately 5025  
preceding the initial lease or purchase date described in 5026  
division (B) of this section; 5027

(b) A business park, seventy-five per cent or more of the 5028  
square footage of which has been unoccupied and available for 5029  
use in a trade or business for the twelve months immediately 5030  
preceding the initial lease or purchase date described in 5031  
division (B) of this section. 5032

For the purpose of determining whether a building, the 5033  
construction of which is not complete, has been unoccupied for 5034  
the required length of time, the building first becomes 5035  
"unoccupied" when its construction discontinues as determined by 5036

the person who owned the property at that time. 5037

(2) "Business park" means two or more buildings located on 5038  
the same or adjacent parcels held under common ownership. 5039

(3) "Building" means a building as defined in section 5040  
3781.06 of the Revised Code the construction of which is at 5041  
least eighty-five per cent complete and that may be lawfully 5042  
occupied. 5043

(4) "Qualifying employee" means an employee employed by an 5044  
employer, provided the employee is employed at the vacant 5045  
commercial space for a minimum of forty hours per week and has 5046  
been so employed for at least one year, the employer pays the 5047  
employee at a wage rate equal to or greater than the minimum 5048  
wage rate applicable under Chapter 4111. of the Revised Code, 5049  
employment of the employee increases the employer's payroll 5050  
above the employer's base employment threshold, and the employee 5051  
had not been employed by the employer within sixty days before 5052  
the date the employer purchases or enters into a lease for a 5053  
vacant commercial space. 5054

(5) "Base employment threshold" means the total payroll of 5055  
the employer on the date the employer purchases or enters into a 5056  
lease for a vacant commercial space. 5057

(B) This section does not apply to the federal government, 5058  
the state, the state's political subdivisions, or nonprofit 5059  
organizations. 5060

An employer required to deduct and withhold income tax 5061  
from an employee's compensation under section 5747.06 and remit 5062  
such amounts under section 5747.07 of the Revised Code may apply 5063  
to the director of housing and development for a grant from the 5064  
vacant facilities grant fund, provided that, on or after ~~the~~ 5065

~~effective date of this section as enacted by H.B. 18 of the~~ 5066  
~~129th general assembly August 6, 2012,~~ 5067  
the employer occupies 5068  
under a lease or purchases vacant commercial space at which the 5069  
employer employs at least fifty employees or at least fifty per 5070  
cent of its employees who are employed in this state. An 5071  
employer may qualify for the grant only once. The amount of the 5072  
grant awarded under this section shall be five hundred dollars 5073  
for each qualifying employee. No grant application shall be 5074  
accepted by the director three years or later after ~~the~~ 5075  
~~effective date of this section August 6, 2012.~~

An employer does not qualify for a grant under this 5076  
section if, during the year of the employer's application, the 5077  
employer is eligible to claim a tax credit or other incentive 5078  
under an agreement with the tax credit authority. 5079

The director shall prescribe application materials and 5080  
explanations. An employer applying for a grant under this 5081  
section shall submit the following with the employer's 5082  
application to the director: 5083

(1) An affidavit from the person who, in the case of a 5084  
lease of vacant commercial space, owns the property or, in the 5085  
case of a purchase, is the most recent owner of the property 5086  
indicating that the building meets the requirements of a vacant 5087  
commercial space; 5088

(2) Payroll records indicating, for each qualifying 5089  
employee, that the employee was employed for one year or longer 5090  
at the vacant commercial space; 5091

(3) Quarterly reports of wage information submitted by the 5092  
employer to the department of job and family services pursuant 5093  
to section 4141.20 of the Revised Code indicating the employer's 5094

qualifying employees and the employer's base employment 5095  
threshold; 5096

(4) A statement that the employer agrees to provide to the 5097  
director any receipts, invoices, or similar documents 5098  
demonstrating that the employer used the grant for the 5099  
activities described in division (C) of this section. 5100

Upon receipt of an application, the director shall review 5101  
the application and attached materials and approve the 5102  
application if, to the director's satisfaction, the employer 5103  
fulfills all the grant requirements of this section, and if, in 5104  
the judgment of the director, the unencumbered balance in the 5105  
vacant facilities grant fund is sufficient to fund the amount of 5106  
the grant. Upon approval of a grant application, the director 5107  
shall authorize the award of the grant from the vacant 5108  
facilities grant fund to the employer. 5109

(C) An employer receiving a grant under this section from 5110  
the vacant facilities grant fund must use the grant for the 5111  
acquisition, construction, enlargement, improvement, or 5112  
equipment of property, structures, equipment, and facilities 5113  
used by the employer in business at the vacant commercial space 5114  
occupied by the employer. 5115

(D) An employer may claim a grant under this section with 5116  
respect to a building, the construction of which is not 5117  
complete, only if the employer submits both of the following 5118  
with the employer's application: 5119

(1) A copy of a certificate of occupancy from the 5120  
appropriate building authority indicating that the building may 5121  
lawfully be occupied pursuant to ~~chapters~~ Chapters 3781. and 5122  
3791. of the Revised Code; 5123

(2) An affidavit from the person who owned the property at 5124  
the time construction discontinued indicating the date 5125  
construction discontinued. 5126

(E) There is hereby created in the state treasury the 5127  
vacant facilities grant fund, which shall consist of money 5128  
appropriated to the fund by the general assembly. Money in the 5129  
fund shall be used solely for the purposes of this section. 5130

**Sec. 122.177.** (A) As used in this section: 5131

(1) "Business" means a sole proprietorship, a corporation 5132  
for profit, or a pass-through entity as defined in section 5133  
5733.04 of the Revised Code. 5134

(2) "Career exploration internship" means a paid 5135  
employment relationship between a student intern and a business 5136  
in which the student intern acquires education, instruction, and 5137  
experience relevant to the student intern's career aspirations. 5138

(3) "Student intern" means an individual who, at the time 5139  
the business applies for a grant under division (B) of this 5140  
section, meets both of the following criteria: 5141

(a) The individual is entitled to attend school in this 5142  
state. 5143

(b) The individual is either between sixteen and eighteen 5144  
years of age or is enrolled in grade eleven or twelve. 5145

(B) There is hereby created in the department of housing 5146  
and development services agency the career exploration 5147  
internship program to award grants to businesses that employ a 5148  
student intern in a career exploration internship. To qualify 5149  
for a grant under the program, the career exploration internship 5150  
shall be at least twenty weeks in duration and include at least 5151



two hundred hours of paid work and instruction in this state. To 5152  
obtain a grant, the business shall apply to the department of 5153  
housing and development ~~services agency~~ before the starting date 5154  
of the career exploration internship. The application shall 5155  
include all of the following: 5156

(1) A brief description of the career exploration 5157  
internship; 5158

(2) A signed statement by the student intern briefly 5159  
describing the student intern's career aspirations and how the 5160  
student intern believes this career exploration internship may 5161  
help achieve those aspirations; 5162

(3) A signed statement by a principal or guidance 5163  
counselor at the student intern's school or, in the case of a 5164  
home schooled student, an individual responsible for 5165  
administering instruction to the student intern, acknowledging 5166  
that the employment opportunity qualifies as a career 5167  
exploration internship and expressing intent to advise the 5168  
student intern as provided in division (E) of this section; 5169

(4) The name, address, and telephone number of the 5170  
business; 5171

(5) Any other information required by the department of 5172  
housing and development ~~services agency~~. 5173

(C) (1) The department of housing and development ~~services~~ 5174  
~~agency~~ shall review and make a determination with respect to 5175  
each application submitted under division (B) of this section in 5176  
the order in which the application is received. The ~~agency~~ 5177  
department shall not approve any application under this section 5178  
that is received by the ~~agency~~ department later than June 25, 5179  
2017, or that was submitted by a business that does not have 5180

substantial operations in this state. The ~~agency-department~~ may 5181  
not otherwise deny an application unless the application is 5182  
incomplete, the proposed employment relationship does not 5183  
qualify as a career exploration internship for which a grant may 5184  
be awarded under this section, the business is ineligible to 5185  
receive a grant under division (D) (1) of this section, or the 5186  
~~agency-department~~ determines that approving the application 5187  
would cause the amount that could be awarded to exceed the 5188  
amount of money in the career exploration internship fund. 5189

(2) The ~~agency-department~~ shall send written notice of its 5190  
determination to the applicant within thirty days after 5191  
receiving the application. If the ~~agency-department~~ determines 5192  
that the application shall not be approved, the notice shall 5193  
include the reasons for such determination. 5194

(3) The ~~agency's-department's~~ determination is final and 5195  
may not be appealed for any reason. A business may submit a new 5196  
or amended application under division (B) of this section at any 5197  
time before or after receiving notice under division (C) (2) of 5198  
this section. 5199

(D) (1) In any calendar year, the department of housing and 5200  
development ~~services-agency~~ shall not award grants under this 5201  
section to any business that has received grants for three 5202  
career exploration internships in that calendar year. The ~~agency-~~ 5203  
department shall not award a grant to a business unless the 5204  
~~agency-department~~ receives a report from the business within 5205  
thirty days after the end of the career exploration internship 5206  
or thirteen months after the approval of the application, 5207  
whichever comes first, that includes all of the following: 5208

(a) The date the student intern began the internship; 5209

(b) The date the internship ended or a statement that the student will continue to be employed by the business;

(c) The total number of hours during the internship that the student intern was employed by the business;

(d) The total wages paid by the business to the student intern during the internship;

(e) A signed statement by the student intern briefly describing the duties performed during the internship and the skills and experiences gained throughout the internship;

(f) Any other information required by the agency~~department~~.

(2) If the agency~~department~~ receives the report and determines that it contains all of the information and the statement required by division (D) (1) of this section and that the career exploration internship described in the report complies with all the provisions of this section, the agency~~department~~ shall award a grant to the business. The amount of the grant shall equal the lesser of the following:

(a) Fifty per cent of the wages paid by the business to the student intern for the first twelve months following the date the application was approved;

(b) Five thousand dollars.

(E) The student intern and the principal, guidance counselor, or other qualified individual who signed the statement described in division (B) (3) of this section shall meet at least once in the thirty days following the end of the career exploration internship or in the thirteenth month following the start of the career exploration internship,

whichever comes first. The purpose of the meeting is to discuss 5238  
the student intern's experiences during the career exploration 5239  
internship, consider the practical applications of these 5240  
experiences to the student intern's career aspirations, and to 5241  
establish or confirm goals for the student intern. If 5242  
practicable, the meeting shall be in person. Otherwise, the 5243  
meeting may be conducted over the telephone. 5244

(F) A business that receives a grant under this section 5245  
may submit a new application under division (B) of this section 5246  
for another career exploration internship with the same student 5247  
intern. Such an application does not have to include the 5248  
statements otherwise required by divisions (B)(2) and (3) of 5249  
this section. 5250

(G) Annually, on the first day of August until August 5251  
2017, the department of housing and development ~~services agency~~ 5252  
shall compile a report indicating the number of career 5253  
exploration internships approved by the ~~agency~~ department under 5254  
this section, the statements issued by the student interns under 5255  
divisions (B)(2) and (D)(1)(e) of this section, the number of 5256  
student interns that continued employment with the business 5257  
after the termination of the career exploration internship, and 5258  
the total amount of grants awarded under this section. The 5259  
report shall not disclose any student interns' personally 5260  
identifiable information. The ~~agency~~ department shall provide 5261  
copies of the report to the governor, the speaker and minority 5262  
leader of the house of representatives, and the president and 5263  
minority leader of the senate. 5264

(H) The department of housing and development ~~services~~ 5265  
~~agency~~ may adopt rules necessary to administer this section in 5266  
accordance with Chapter 119. of the Revised Code. 5267

(I) The career exploration internship fund is hereby 5268  
created in the state treasury. The fund shall consist of a 5269  
portion of the proceeds from the upfront license fees paid for 5270  
the casino facilities authorized under Section 6(C) of Article 5271  
XV, Ohio Constitution. Money in the fund shall be used by the 5272  
department of housing and development ~~services agency~~ to provide 5273  
grants under this section. 5274

**Sec. 122.178.** (A) As used in this section, 5275  
"microcredential" means an industry-recognized credential or 5276  
certificate that an applicant may complete in not more than one 5277  
year and that is approved by the chancellor of higher education. 5278

(B) There is hereby created the TechCred program to 5279  
reimburse employers from appropriations made for that purpose 5280  
for training costs for prospective and incumbent employees to 5281  
earn a microcredential. The department of housing and 5282  
development, in consultation with the governor's office of 5283  
workforce transformation and the department of higher education, 5284  
shall develop the program. 5285

(C) (1) An employer seeking to participate in the program 5286  
shall submit an application to the director of housing and 5287  
development during an application period established by the 5288  
director. The employer shall include in the application all of 5289  
the following information: 5290

(a) Proof that the employer is registered to do business 5291  
in this state; 5292

(b) Proof that the employer is current on all tax 5293  
obligations to the state; 5294

(c) Proof that the employer is in compliance with all 5295  
environmental regulations applicable to the employer; 5296

(d) The name of the training provider from which a 5297  
prospective or incumbent employee will receive the training and 5298  
earn the microcredential; 5299

(e) The cost of the training; 5300

(f) The positions for which earning the microcredential 5301  
will make a prospective or incumbent employee qualified or the 5302  
occupational skill set that the prospective or incumbent 5303  
employee will acquire on completing the training; 5304

(g) The address of the facility or location at which the 5305  
prospective or incumbent employee is expected to be employed 5306  
after completing the training; 5307

(h) Any other information the director requires. 5308

(2) In addition to the information required under division 5309  
(C) (1) of this section, an employer seeking to participate in 5310  
the program also may submit any of the following information the 5311  
employer wishes to provide to the director: 5312

(a) The estimated wage after completing the training and 5313  
earning the microcredential; 5314

(b) The employer's certification as a minority business 5315  
enterprise under section 122.921 of the Revised Code or 5316  
certification as an EDGE business enterprise under section 5317  
122.922 of the Revised Code if applicable; 5318

(c) The demographic information of the employer, including 5319  
race and gender; 5320

(d) Any demographic information of a prospective or 5321  
incumbent employee that the employee provides to the employer, 5322  
including race and gender; 5323

(e) Any other information the employer wishes to provide 5324  
to the director. 5325

(D) (1) The director shall consider all applications 5326  
submitted during an application period after the application 5327  
period ends. The director shall consider the following factors 5328  
in determining whether to approve an application: 5329

(a) The duration of the training program; 5330

(b) The cost of the training; 5331

(c) A prospective or incumbent employee's estimated wage 5332  
after completing the training and earning the microcredential; 5333

(d) Whether approving an application will promote regional 5334  
diversity in apportioning reimbursements uniformly across the 5335  
state; 5336

(e) Any other factors the director considers relevant in 5337  
determining whether to approve an application. 5338

(2) The chancellor of higher education shall establish a 5339  
list of approved microcredentials. The director shall not 5340  
approve an application submitted under division (C) of this 5341  
section unless the microcredentials identified in the 5342  
application are included in the chancellor's list. Not later 5343  
than ninety days after April 14, 2020, the director shall create 5344  
a list of training providers that offer a microcredential 5345  
included in the chancellor's list. Thereafter, the director 5346  
shall annually update the list of training providers. 5347

(3) If the director approves an employer's application for 5348  
participation in the program, the approval is valid as long as 5349  
the employer maintains accurate application information under 5350  
division (C) (1) of this section with the director. The employer 5351

shall submit the updated information to the director at the 5352  
beginning of the third fiscal year the employer participates in 5353  
the program and every other subsequent fiscal year thereafter. 5354

(4) The director shall not approve an application for 5355  
participation in the program if the employer has violated 5356  
Chapter 4111. of the Revised Code within the four fiscal years 5357  
immediately preceding the date of application. 5358

(E) (1) Each participating employer seeking reimbursement 5359  
for training costs for a prospective or incumbent employee shall 5360  
submit an application to the director that includes all of the 5361  
following information for each prospective or incumbent 5362  
employee: 5363

(a) The prospective or incumbent employee's name and 5364  
position, if applicable, at the time of submitting the 5365  
application; 5366

(b) The actual amount the employer paid to the training 5367  
provider for the training; 5368

(c) Evidence that the prospective or incumbent employee 5369  
earned a microcredential; 5370

(d) Evidence that the prospective or incumbent employee is 5371  
a resident of this state. 5372

(2) The amount of the reimbursement shall be not more than 5373  
two thousand dollars for each microcredential a prospective or 5374  
incumbent employee receives. 5375

(F) No participating employer shall require a prospective 5376  
or incumbent employee who receives a microcredential because the 5377  
employer participated in and received a reimbursement through 5378  
the employer's participation in the TechCred program to accept 5379



or continue employment with the employer. 5380

(G) For the purposes of determining regional diversity 5381  
under this section, the following constitute the regions of the 5382  
state: 5383

(1) The counties of Allen, Crawford, Defiance, Fulton, 5384  
Hancock, Hardin, Henry, Lucas, Ottawa, Paulding, Putnam, 5385  
Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot are one 5386  
region; 5387

(2) The counties of Ashland, Ashtabula, Columbiana, 5388  
Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, 5389  
Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, and 5390  
Wayne are one region; 5391

(3) The counties of Auglaize, Champaign, Clark, Clinton, 5392  
Darke, Fayette, Greene, Mercer, Miami, Montgomery, Preble, and 5393  
Shelby are one region; 5394

(4) The counties of Delaware, Fairfield, Franklin, Knox, 5395  
Licking, Logan, Madison, Marion, Morrow, Pickaway, and Union are 5396  
one region; 5397

(5) The counties of Adams, Athens, Gallia, Highland, 5398  
Hocking, Jackson, Lawrence, Meigs, Pike, Ross, Scioto, and 5399  
Vinton are one region; 5400

(6) The counties of Belmont, Carroll, Coshocton, Guernsey, 5401  
Harrison, Holmes, Jefferson, Monroe, Morgan, Muskingum, Noble, 5402  
Perry, and Washington are one region; 5403

(7) The counties of Brown, Butler, Clermont, Hamilton, and 5404  
Warren are one region. 5405

(H) (1) The director shall do both of the following 5406  
regarding the operation of the program: 5407

(a) Create an application to participate in the program 5408  
and an application for reimbursement; 5409

(b) Create an internet web site with the applications for 5410  
and information regarding the program created in this section. 5411

(2) The governor's office of workforce transformation 5412  
shall include on the office's internet web site either of the 5413  
following: 5414

(a) The applications for and information regarding the 5415  
program created in this section; 5416

(b) An internet link to the internet web site created 5417  
under division (H) (1) (b) of this section. 5418

(I) The director may adopt rules in accordance with 5419  
Chapter 119. of the Revised Code regarding the operation of the 5420  
program as the director considers necessary to administer the 5421  
program, including establishing priority guidelines for 5422  
approving applications under division (D) of this section. 5423

**Sec. 122.179.** (A) As used in this section: 5424

"Charitable organization" has the same meaning as in 5425  
section 1716.01 of the Revised Code. 5426

"Independent college or university" means a nonprofit 5427  
institution of higher education that has a certificate of 5428  
authorization under Chapter 1713. of the Revised Code. 5429

"Industry sector partnership" means a workforce 5430  
collaborative that organizes key leaders and stakeholders of an 5431  
industry cluster into a working group that focuses on achieving 5432  
a shared goal of meeting the industry cluster's human resources 5433  
needs. 5434

"Ohio technical center" has the same meaning as in section 5435  
3333.94 of the Revised Code. 5436

"Sector partnership network" means a regional or statewide 5437  
workforce collaborative that organizes multiple industry sector 5438  
partnerships into a working group that focuses on achieving a 5439  
shared goal of meeting the human resources needs of a region or 5440  
statewide. 5441

"State board" and "local board" have the same meanings as 5442  
in section 6301.01 of the Revised Code. 5443

"State institution of higher education" has the same 5444  
meaning as in section 3345.011 of the Revised Code. 5445

(B) A collaboration of multiple employers of an industry 5446  
cluster may organize and lead an industry sector partnership by 5447  
convening or acting in partnership with representatives of 5448  
businesses, employers, or other institutions of an industry 5449  
cluster, including small- and medium-sized employers where 5450  
practicable, and a collaboration of multiple industry sector 5451  
partnerships may convene or act in partnership together as a 5452  
sector partnership network. An industry sector partnership may 5453  
include representatives of one or more of the following: 5454

- (1) A school district; 5455
- (2) A state institution of higher education; 5456
- (3) An Ohio technical center; 5457
- (4) An independent college or university; 5458
- (5) The state or a local government; 5459
- (6) A state or local economic or workforce development 5460  
agency; 5461

- (7) A state board or local board; 5462
- (8) The department of job and family services; 5463
- (9) A business, trade, or industry association; 5464
- (10) A charitable organization; 5465
- (11) An economic development organization; 5466
- (12) A nonprofit or community-based organization or  
intermediary; 5467  
5468
- (13) The Ohio state university extension division 5469  
established under section 3335.16 of the Revised Code or the 5470  
central state university extension program; 5471
- (14) Any other organization that the industry sector 5472  
partnership considers necessary to further the shared goal of 5473  
meeting the industry cluster's human resources needs. 5474
- (C) The director of housing and development~~services~~, in 5475  
consultation with the governor's office of workforce 5476  
transformation, shall develop a grant program to support 5477  
industry sector partnerships and sector partnership networks. An 5478  
industry sector partnership or sector partnership network may 5479  
use a grant awarded under this section to do any of the 5480  
following: 5481
- (1) Hire employees to coordinate industry sector 5482  
partnership or sector partnership network activities; 5483
- (2) Develop curricula or other educational resources to 5484  
support the industry sector partnership or sector partnership 5485  
network; 5486
- (3) Market the industry sector partnership or sector 5487  
partnership network and opportunities the industry sector 5488

partnership or sector partnership network creates for workforce 5489  
development activities; 5490

(4) Any other activity the director has approved in rules 5491  
adopted under division (E) of this section. 5492

(D) The director shall do both of the following: 5493

(1) Establish a system for evaluating and scoring grant 5494  
applications, which prioritizes collaborative community-based 5495  
solutions, including sector partnership networks; 5496

(2) Award a grant to an industry sector partnership or a 5497  
sector partnership network that submits a complete application 5498  
for funding describing the activities in division (C) of this 5499  
section the partnership or network will use the funds to support 5500  
and meets the scoring criteria established under division (D) (1) 5501  
of this section. 5502

(E) The director may adopt rules in accordance with 5503  
Chapter 119. of the Revised Code as the director considers 5504  
necessary to administer the grant program. 5505

**Sec. 122.1710.** (A) As used in this section: 5506

(1) "Low-income individual" has the same meaning as "low- 5507  
income person" in section 122.66 of the Revised Code. 5508

(2) "Microcredential" has the same meaning as in section 5509  
122.178 of the Revised Code. 5510

(3) "OhioMeansJobs web site" has the same meaning as in 5511  
section 6301.01 of the Revised Code. 5512

(4) "Partially unemployed" and "totally unemployed" have 5513  
the same meanings as in section 4141.01 of the Revised Code. 5514

(5) "Training provider" means all of the following: 5515

- (a) A state institution of higher education as defined in 5516  
section 3345.011 of the Revised Code; 5517
- (b) An Ohio technical center as defined in section 3333.94 5518  
of the Revised Code; 5519
- (c) A private business or institution that offers training 5520  
to allow an individual to earn one or more microcredentials. 5521
- (B) There is hereby created the individual microcredential 5522  
assistance program to reimburse training providers for training 5523  
costs for individuals to earn a microcredential. The department 5524  
of housing and development, in consultation with the governor's 5525  
office of workforce transformation, shall administer the 5526  
program. 5527
- (C) A training provider seeking to participate in the 5528  
program shall submit an application to the director of housing 5529  
and development. The training provider shall include in the 5530  
application all of the following information: 5531
- (1) The number of microcredentials the training provider 5532  
will seek a reimbursement for and the names of the 5533  
microcredentials; 5534
- (2) The cost of the training for each microcredential; 5535
- (3) The total amount of the reimbursement the training 5536  
provider will seek; 5537
- (4) The training provider's plan to provide opportunities 5538  
for individuals who are low income, partially unemployed, or 5539  
totally unemployed to participate in a training program and 5540  
receive a microcredential; 5541
- (5) Any other information the director requires. 5542

(D) (1) The director shall consider the following factors 5543  
in determining whether to approve an application submitted under 5544  
division (C) of this section: 5545

(a) The duration of the training program; 5546

(b) The cost of the training; 5547

(c) Whether approving an application will promote regional 5548  
diversity in apportioning reimbursements uniformly across the 5549  
state; 5550

(d) The training provider's commitment to providing 5551  
opportunities for individuals who are low income, partially 5552  
unemployed, or totally unemployed to participate in a training 5553  
program and receive a microcredential. 5554

(2) In determining regional diversity under division (D) 5555  
(1) (c) of this section, the director shall use the regions 5556  
established under division (G) of section 122.178 of the Revised 5557  
Code. 5558

(3) The director shall not approve an application 5559  
submitted under this section if either of the following apply: 5560

(a) The microcredentials identified in the application are 5561  
not included in the list the chancellor of higher education 5562  
establishes under section 122.178 of the Revised Code. 5563

(b) The training provider has violated Chapter 4111. of 5564  
the Revised Code within the four fiscal years immediately 5565  
preceding the date of application. 5566

(4) The director shall notify a training provider in 5567  
writing of the director's decision to approve or deny the 5568  
training provider's application to participate in the program. 5569

(E) A participating training provider shall not charge an individual participating in a training program to earn a microcredential for which the training provider is seeking a reimbursement for either of the following:

(1) Any costs associated with the individual's participation in the training program;

(2) Any costs to the training provider resulting from an individual not completing the training program.

(F) (1) Each participating training provider seeking reimbursement for training costs for one or more microcredentials earned by one or more individuals in a training program shall submit an application to the director after the individual or individuals have earned a microcredential. The training provider shall include in the reimbursement application all of the following information:

(a) The actual cost for the training provider to provide each individual with the training;

(b) Evidence that each individual earned a microcredential;

(c) Any demographic information of each individual that the individual provides to the training provider, including race and gender.

(2) The amount of the reimbursement shall be not more than three thousand dollars for each microcredential an individual receives. A participating training provider may not receive a reimbursement for any additional individual who earns a microcredential beyond the number of microcredentials included in the application under division (C) of this section. A participating training provider may receive a total



reimbursement of five hundred thousand dollars in a fiscal year. 5599

(3) A training provider may request that an individual 5600  
participating in the training provider's program provide 5601  
demographic information to the training provider, including race 5602  
and gender. An individual is not required to provide that 5603  
information. 5604

(G) The director shall do both of the following regarding 5605  
the operation of the program: 5606

(1) Create an application to participate in the program 5607  
and an application for reimbursement; 5608

(2) Create and distribute a survey to each individual who 5609  
successfully earned a microcredential because of a reimbursement 5610  
to a training provider under this section inquiring as to the 5611  
individual's occupation and wages at the time of completing the 5612  
survey. 5613

(H) The director shall include on the internet web site 5614  
maintained by the department, and the governor's office of 5615  
workforce transformation shall include on the office's internet 5616  
web site and the OhioMeansJobs web site, all of the content 5617  
created under division (G) of this section. 5618

(I) The director may adopt rules in accordance with 5619  
Chapter 119. of the Revised Code as the director considers 5620  
necessary to implement this section, including establishing 5621  
priority guidelines for approving applications under division 5622  
(D) of this section. 5623

(J) Any personal information of an individual the director 5624  
receives in connection with the individual microcredential 5625  
assistance program created under this section is not a public 5626  
record for purposes of section 149.43 of the Revised Code. 5627

However, the director may use the information as necessary to 5628  
complete the reports required under section 122.1711 of the 5629  
Revised Code. 5630

**Sec. 122.1711.** (A) Beginning on the first day of August 5631  
immediately following ~~the effective date of this section~~ April 5632  
14, 2020, and every August first thereafter, the director of 5633  
housing and development services shall submit to the general 5634  
assembly a written report that compiles and includes information 5635  
required in this section regarding the programs created under 5636  
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5637

(1) For the TechCred program created under section 122.178 5638  
of the Revised Code, the director shall include in the report 5639  
required under division (A) of this section all of the following 5640  
information: 5641

(a) The average per cent rate change of wages during the 5642  
previous year, if any, for prospective or incumbent employees 5643  
who earned a microcredential categorized by microcredentials 5644  
earned in each region and statewide; 5645

(b) The average per cent rate change of wages during the 5646  
previous years, if any, for prospective or incumbent employees 5647  
who earned a microcredential categorized by the region in which 5648  
employees reside and statewide; 5649

(c) The average annual wages paid to positions for which 5650  
holding a microcredential or having the occupational skills 5651  
acquired through obtaining a microcredential is required, 5652  
categorized by each region and statewide; 5653

(d) The rate of change during the previous year of 5654  
unemployment categorized by each region and statewide; 5655

(e) A list of the microcredentials established by the 5656

chancellor of higher education under section 122.178 of the 5657  
Revised Code categorized by each region and statewide; 5658

(f) A demographic analysis of employees who earned a 5659  
microcredential under the TechCred program based on the race and 5660  
gender of each employee; 5661

(g) A demographic analysis of employers who received a 5662  
reimbursement through the TechCred program based on the race and 5663  
gender of each employer; 5664

(h) Any other information the director wishes to include. 5665

(2) For the individual microcredential assistance program 5666  
created under section 122.1710 of the Revised Code, the director 5667  
shall include in the report required under division (A) of this 5668  
section all of the following information: 5669

(a) The information required under divisions (A) (1) (a) to 5670  
(c) of this section, except that the information shall represent 5671  
the individuals who successfully earned a microcredential 5672  
because of a reimbursement to a training provider under the 5673  
individual microcredential assistance program; 5674

(b) A demographic analysis of individuals who earned a 5675  
microcredential under the individual microcredential assistance 5676  
program based on the race and gender of each individual; 5677

(c) An analysis of the results of the surveys the director 5678  
distributed under division (G) of section 122.1710 of the 5679  
Revised Code categorized by each region and statewide; 5680

(d) The rate of completion for each approved 5681  
microcredential categorized by region and statewide; 5682

(e) Any other information the director wishes to include. 5683

(3) For the grant program to support industry sector 5684  
partnerships and sector partnership networks created under 5685  
section 122.179 of the Revised Code, the director shall include 5686  
in the report required under division (A) of this section all of 5687  
the following information: 5688

(a) A list, categorized by region and statewide, of each 5689  
industry sector partnership and sector partnership network to 5690  
which a grant was awarded under section 122.179 of the Revised 5691  
Code; 5692

(b) A list detailing the member composition of each 5693  
industry sector partnership and sector partnership network to 5694  
which a grant was awarded under section 122.179 of the Revised 5695  
Code, including each employer and representative of an industry 5696  
cluster; 5697

(c) Information regarding the activities described in 5698  
division (C) of section 122.179 of the Revised Code for which 5699  
industry sector partnerships and sector partnership networks 5700  
used grants awarded under that section. 5701

(B) In reporting on regional information under this 5702  
section, the director shall use the regions established under 5703  
section 122.178 of the Revised Code. 5704

(C) The director shall include in the report under 5705  
division (A) of this section any information the director 5706  
receives under division (C) (2) (b), (c), or (d) of section 5707  
122.178 of the Revised Code or division (F) (1) (c) of section 5708  
122.1710 of the Revised Code. 5709

(D) The director shall market the programs created under 5710  
sections 122.178, 122.179, and 122.1710 of the Revised Code. 5711

**Sec. 122.18.** (A) As used in this section: 5712

- (1) "Facility" means all real property and interests in 5713  
real property owned by either of the following: 5714
- (a) A landlord and leased to a tenant pursuant to a 5715  
project that is the subject of an agreement under this section; 5716
- (b) The United States or any department, agency, or 5717  
instrumentality of the United States. 5718
- (2) "Full-time employee" has the same meaning as under 5719  
section 122.17 of the Revised Code. 5720
- (3) "Landlord" means a county or municipal corporation, or 5721  
a corporate entity that is an instrumentality of a county or 5722  
municipal corporation and that is not subject to the tax imposed 5723  
by section 5733.06 or 5747.02 of the Revised Code. 5724
- (4) "New employee" means a full-time employee first 5725  
employed by, or under or pursuant to a contract with, the tenant 5726  
in the project that is the subject of the agreement after a 5727  
landlord enters into an agreement with the tax credit authority 5728  
under this section. 5729
- (5) "New income tax revenue" means the total amount 5730  
withheld under section 5747.06 of the Revised Code by the tenant 5731  
or tenants at a facility during a year from the compensation of 5732  
new employees for the tax levied under Chapter 5747. of the 5733  
Revised Code. 5734
- (6) "Retained income tax revenue" means the total amount 5735  
withheld under section 5747.06 of the Revised Code from 5736  
employees retained at an existing facility recommended for 5737  
closure to the base realignment and closure commission in the 5738  
United States department of defense. 5739
- (7) "Tenant" means the United States, any department, 5740

agency, or instrumentality of the United States, or any person 5741  
under contract with the United States or any department, agency, 5742  
or instrumentality of the United States. 5743

(B) The tax credit authority may enter into an agreement 5744  
with a landlord under which an annual payment equal to the new 5745  
income tax revenue or retained income tax revenue, as 5746  
applicable, or the amount called for under division (D) (3) or 5747  
(4) of this section shall be made to the landlord from moneys of 5748  
this state that were not raised by taxation, and shall be 5749  
credited by the landlord to the rental owing from the tenant to 5750  
the landlord for a facility. 5751

(C) A landlord that proposes a project to create new jobs 5752  
in this state or retain jobs in this state at an existing 5753  
facility recommended for closure or realignment to the base 5754  
realignment and closure commission in the United States 5755  
department of defense may apply to the tax credit authority to 5756  
enter into an agreement for annual payments under this section. 5757  
The director of housing and development shall prescribe the form 5758  
of the application. After receipt of an application, the 5759  
authority may enter into an agreement with the landlord for 5760  
annual payments under this section if it determines all of the 5761  
following: 5762

(1) The project will create new jobs in this state or 5763  
retain jobs at a facility recommended for closure or realignment 5764  
to the base realignment and closure commission in the United 5765  
States department of defense. 5766

(2) The project is economically sound and will benefit the 5767  
people of this state by increasing opportunities for employment 5768  
and strengthening the economy of this state. 5769

(3) Receiving the annual payments will be a major factor 5770  
in the decision of the landlord and tenant to go forward with 5771  
the project. 5772

(D) An agreement with a landlord for annual payments shall 5773  
include all of the following: 5774

(1) A description of the project that is the subject of 5775  
the agreement; 5776

(2) The term of the agreement, which shall not exceed 5777  
twenty years; 5778

(3) Based on the estimated new income tax revenue or 5779  
retained income tax revenue, as applicable, to be derived from 5780  
the facility at the time the agreement is entered into, 5781  
provision for a guaranteed payment to the landlord commencing 5782  
with the issuance by the landlord of any bonds or other forms of 5783  
financing for the construction of the facility and continuing 5784  
for the term approved by the authority; 5785

(4) Provision for offsets to this state of the annual 5786  
payment in years in which such annual payment is greater than 5787  
the guaranteed payment of amounts previously paid by this state 5788  
to the landlord in excess of the new income tax revenue or 5789  
retained income tax revenue, as applicable, by reason of the 5790  
guaranteed payment; 5791

(5) A specific method for determining how many new 5792  
employees are employed during a year; 5793

(6) A requirement that the landlord annually shall obtain 5794  
from the tenant and report to the director of housing and 5795  
development the number of new employees and the new income tax 5796  
revenue withheld in connection with the new employees, or the 5797  
number of retained employees and the retained income tax revenue 5798

withheld in connection with the retained employees, as 5799  
applicable, and any other information the director needs to 5800  
perform the director's duties under this section; 5801

(7) A requirement that the director of housing and 5802  
development annually shall verify the amounts reported under 5803  
division (D) (6) of this section, and after doing so shall issue 5804  
a certificate to the landlord stating that the amounts have been 5805  
verified. 5806

(E) The director of housing and development, in accordance 5807  
with Chapter 119. of the Revised Code, shall adopt rules 5808  
necessary to implement this section. 5809

**Sec. 122.19.** As used in sections 122.19 to 122.22 of the 5810  
Revised Code: 5811

(A) "Distressed area" has the same meaning as in section 5812  
122.16 of the Revised Code. 5813

(B) "Eligible applicant" means any of the following that 5814  
are designated by the legislative authority of a county, 5815  
township, or municipal corporation as provided in division (B) 5816  
(1) of section 122.22 of the Revised Code: 5817

(1) A port authority as defined in division (A) of section 5818  
4582.01 or division (A) of section 4582.21 of the Revised Code; 5819

(2) A community improvement corporation as described in 5820  
section 1724.01 of the Revised Code; 5821

(3) A community-based organization or action group that 5822  
provides social services and has experience in economic 5823  
development; 5824

(4) Any other nonprofit economic development entity; 5825



(5) A county, township, or municipal corporation if it 5826  
designates itself. 5827

(C) "Eligible area" means a distressed area, a labor 5828  
surplus area, an inner city area, or a situational distress 5829  
area, as designated annually by the director of housing and 5830  
development under division (A) of section 122.21 of the Revised 5831  
Code. 5832

(D) "Governing body" means, in the case of a county, the 5833  
board of county commissioners; in the case of a municipal 5834  
corporation, the legislative authority; and in the case of a 5835  
township, the board of township trustees. 5836

(E) "Infrastructure improvements" includes site 5837  
preparation, including building demolition and removal; 5838  
retention ponds and flood and drainage improvements; streets, 5839  
roads, bridges, and traffic control devices; parking lots and 5840  
facilities; water and sewer lines and treatment plants; gas, 5841  
electric, and telecommunications hook-ups; and waterway and 5842  
railway access improvements. 5843

(F) "Inner city area" means, in a municipal corporation 5844  
that has a population of at least one hundred thousand and does 5845  
not meet the criteria of a labor surplus area or a distressed 5846  
area, targeted investment areas established by the municipal 5847  
corporation within its boundaries that are comprised of the most 5848  
recent census block tracts that individually have at least 5849  
twenty per cent of their population at or below the state 5850  
poverty level, or other census block tracts contiguous to such 5851  
census block tracts. 5852

(G) "Labor surplus area" means an area designated as a 5853  
labor surplus area by the United States department of labor. 5854

(H) "Official poverty line" has the same meaning as in 5855  
division (A) of section 3923.51 of the Revised Code. 5856

(I) "Redevelopment plan" means a plan that includes all of 5857  
the following: a plat; a land use description; identification of 5858  
all utilities and infrastructure needed to develop the property, 5859  
including street connections; highway, rail, air, or water 5860  
access; utility connections; water and sewer treatment 5861  
facilities; storm drainage; and parking, and any other elements 5862  
required by a rule adopted by the director of housing and 5863  
development under division (B) of section 122.21 of the Revised 5864  
Code. 5865

(J) "Situational distress area" means a county or a 5866  
municipal corporation that has experienced or is experiencing a 5867  
closing or downsizing of a major employer that will adversely 5868  
affect the county's or municipal corporation's economy. In order 5869  
to be designated as a situational distress area for a period not 5870  
to exceed thirty-six months, the county or municipal corporation 5871  
may petition the director of housing and development. The 5872  
petition shall include documentation that demonstrates all of 5873  
the following: 5874

(1) The number of jobs lost by the closing or downsizing; 5875

(2) The impact that the job loss has on the county's or 5876  
municipal corporation's unemployment rate as measured by the 5877  
Ohio department of job and family services; 5878

(3) The annual payroll associated with the job loss; 5879

(4) The amount of state and local taxes associated with 5880  
the job loss; 5881

(5) The impact that the closing or downsizing has on the 5882  
suppliers located in the county or municipal corporation. 5883

**Sec. 122.20.** (A) The urban and rural initiative grant 5884  
program is hereby created to promote economic development and 5885  
improve the economic welfare of the people of the state, which 5886  
shall be accomplished by the department of housing and 5887  
development awarding grants to eligible applicants for use in an 5888  
eligible area for any of the following purposes: 5889

(1) Land acquisition; 5890

(2) Infrastructure improvements; 5891

(3) Voluntary actions undertaken on property eligible for 5892  
the voluntary action program created under Chapter 3746. of the 5893  
Revised Code; 5894

(4) Renovation of existing structures. 5895

(B) The total amount of grants awarded under the program 5896  
shall not exceed two million dollars. No grant shall be awarded 5897  
without the prior approval of the controlling board. 5898

(C) As a condition of receiving a grant under this 5899  
section, and except as provided in division (D) of this section, 5900  
an applicant shall agree not to permit the use of a site that is 5901  
developed or improved with such grant moneys to cause the 5902  
relocation of jobs to that site from elsewhere in this state. 5903

(D) A site developed or improved with grant moneys awarded 5904  
under this section may be the site of jobs relocated from 5905  
elsewhere in this state if the director of housing and 5906  
development does all of the following: 5907

(1) Makes a written determination that the site from which 5908  
the jobs would be relocated is inadequate to meet market or 5909  
industry conditions, expansion plans, consolidation plans, or 5910  
other business considerations affecting the relocating employer; 5911

(2) Provides a copy of the determination required by 5912  
division (D)(1) of this section to the members of the general 5913  
assembly whose legislative districts include the site from which 5914  
the jobs would be relocated, and to the joint legislative 5915  
committee on tax incentives; 5916

(3) Determines that the governing body of the area from 5917  
which the jobs would be relocated has been notified in writing 5918  
by the relocating company of the possible relocation. 5919

(E) No eligible applicant that receives from the program 5920  
any grant of money for land acquisition, infrastructure 5921  
improvements, or renovation of existing structures in order to 5922  
develop an industrial park site for a distressed area, labor 5923  
surplus area, or situational distress area as defined in section 5924  
122.19 of the Revised Code that also is a distressed area, labor 5925  
surplus area, or situational distress area as defined in section 5926  
122.23 of the Revised Code shall use the money to compete 5927  
against any existing Ohio industrial parks. 5928

(F) An eligible applicant that receives a grant from the 5929  
program shall not be precluded from being considered for or 5930  
participating in other financial assistance programs offered by 5931  
the department of housing and development, the Ohio 5932  
environmental protection agency, or the Ohio water development 5933  
authority. 5934

**Sec. 122.21.** In administering the urban and rural 5935  
initiative grant program created under section 122.20 of the 5936  
Revised Code, the director of housing and development shall do 5937  
all of the following: 5938

(A) Designate, within three months after the publication 5939  
of each decennial census by the United States census bureau, the 5940

entities that constitute the eligible areas in this state; 5941

(B) Adopt rules in accordance with Chapter 119. of the 5942  
Revised Code establishing procedures and forms by which eligible 5943  
applicants in eligible areas may apply for a grant, which 5944  
procedures shall include a requirement that the applicant file a 5945  
redevelopment plan; standards and procedures for reviewing 5946  
applications and awarding grants; procedures for distributing 5947  
grants to recipients; procedures for monitoring the use of 5948  
grants by recipients; requirements, procedures, and forms by 5949  
which recipients who have received grants shall report their use 5950  
of that assistance; and standards and procedures for terminating 5951  
and requiring repayment of grants in the event of their improper 5952  
use. The rules adopted under this division shall comply with 5953  
sections 122.19 to 122.22 of the Revised Code and shall include 5954  
a rule requiring that an eligible applicant who receives a grant 5955  
from the program provide a matching contribution of at least 5956  
twenty-five per cent of the amount of the grant awarded to the 5957  
eligible applicant. 5958

The rules shall require that any eligible applicant for a 5959  
grant for land acquisition demonstrate to the director that the 5960  
property to be acquired meets all state environmental 5961  
requirements and that utilities for that property are available 5962  
and adequate. The rules shall require that any eligible 5963  
applicant for a grant for property eligible for the voluntary 5964  
action program created under Chapter 3746. of the Revised Code 5965  
receive disbursement of grant moneys only after receiving a 5966  
covenant not to sue from the director of environmental 5967  
protection under section 3746.12 of the Revised Code and shall 5968  
require that those moneys be disbursed only as reimbursement of 5969  
actual expenses incurred in the undertaking of the voluntary 5970  
action. The rules shall require that whenever any money is 5971

granted for land acquisition, infrastructure improvements, or 5972  
renovation of existing structures in order to develop an 5973  
industrial park site for a distressed area, labor surplus area, 5974  
or situational distress area as defined in section 122.19 of the 5975  
Revised Code that also is a distressed area, labor surplus area, 5976  
or situational distress area as defined in section 122.23 of the 5977  
Revised Code, a substantial portion of the site be used for 5978  
manufacturing, distribution, high technology, research and 5979  
development, or other businesses in which a majority of the 5980  
product or service produced is exported out of the state. Any 5981  
retail use at the site shall not constitute a primary use but 5982  
only a use incidental to other eligible uses. The rules shall 5983  
require that whenever any money is granted for land acquisition, 5984  
infrastructure improvements, and renovation of existing 5985  
structures in order to develop an industrial park site for a 5986  
distressed area, labor surplus area, or situational distress 5987  
area as defined in section 122.19 of the Revised Code that also 5988  
is a distressed area, labor surplus area, or situational 5989  
distress area as defined in section 122.23 of the Revised Code, 5990  
the applicant for the grant shall verify to the department of 5991  
housing and development the existence of a local economic 5992  
development planning committee in a municipal corporation, 5993  
county, or township whose territory includes the eligible area. 5994  
The committee shall consist of members of the public and private 5995  
sectors who live in that municipal corporation, county, or 5996  
township. The local economic development planning committee 5997  
shall prepare and submit to the department a five-year economic 5998  
development plan for that municipal corporation, county, or 5999  
township that identifies, for the five-year period covered by 6000  
the plan, the economic development strategies of a municipal 6001  
corporation, county, or township whose territory includes the 6002  
proposed industrial park site. The economic development plan 6003

shall describe in detail how the proposed industrial park would 6004  
complement other current or planned economic development 6005  
programs for that municipal corporation, county, or township, 6006  
including, but not limited to, workforce development 6007  
initiatives, business retention and expansion efforts, small 6008  
business development programs, and technology modernization 6009  
programs. 6010

(C) Report to the governor, president of the senate, 6011  
speaker of the house of representatives, and minority leaders of 6012  
the senate and the house of representatives by the first day of 6013  
August of each year on the activities carried out under the 6014  
program during the preceding calendar year. The report shall 6015  
include the total number of grants made that year, and, for each 6016  
individual grant awarded, the following: the amount and 6017  
recipient, the eligible applicant, the purpose for awarding the 6018  
grant, the number of firms or businesses operating at the 6019  
awarded site, the number of employees employed by each firm or 6020  
business, any excess capacity at an industrial park site, and 6021  
any additional information the director declares to be relevant. 6022

(D) Inform local governments and others in the state of 6023  
the availability of grants under section 122.20 of the Revised 6024  
Code; 6025

(E) Annually compile, pursuant to rules adopted by the 6026  
director of housing and development in accordance with Chapter 6027  
119. of the Revised Code, using pertinent information submitted 6028  
by any municipal corporation, county, or township, a list of 6029  
industrial parks located in the state. The list shall include 6030  
the following information, expressed if possible in terms 6031  
specified in the director's rules adopted under this division: 6032  
location of each industrial park site, total acreage of each 6033

park site, total occupancy of each park site, total capacity for 6034  
new business at each park site, total capacity of each park site 6035  
for sewer, water, and electricity, a contact person for each 6036  
park site, and any additional information the director declares 6037  
to be relevant. Once the list is compiled, the director shall 6038  
make it available to the governor, president of the senate, 6039  
speaker of the house of representatives, and minority leaders of 6040  
the senate and the house of representatives. 6041

**Sec. 122.22.** (A) In order to be eligible for a grant under 6042  
section 122.20 of the Revised Code, the applicant shall 6043  
demonstrate both of the following to the director of housing and 6044  
development: 6045

(1) That the applicant is proposing to carry out the 6046  
purposes described in section 122.20 of the Revised Code in an 6047  
entity that has been designated as an eligible area by the 6048  
director of housing and development under division (A) of 6049  
section 122.21 of the Revised Code; 6050

(2) The applicant's capacity to undertake and oversee the 6051  
project, as evidenced by documentation of the applicant's past 6052  
performance in economic development projects. 6053

(B) In order for an applicant to be eligible for a grant 6054  
under section 122.20 of the Revised Code, the governing body of 6055  
the entity that has been designated as an eligible area by the 6056  
director of housing and development in accordance with division 6057  
(A) of section 122.21 of the Revised Code shall, by resolution 6058  
or ordinance, do all of the following: 6059

(1) Designate the applicant that will carry out the 6060  
purposes described in section 122.20 of the Revised Code and 6061  
that qualifies as one of the five categories of eligible 6062



applicant listed in division (B) of section 122.19 of the 6063  
Revised Code; 6064

(2) Specify the eligible area's financial participation in 6065  
the project; 6066

(3) Include a marketing strategy to be utilized in 6067  
administering the project that includes details used in past 6068  
successful projects; 6069

(4) Identify a management plan for the project. 6070

(C) A governing body may designate the political 6071  
subdivision it governs to be an eligible applicant. 6072

(D) In order to be eligible for a grant under section 6073  
122.20 of the Revised Code for land acquisition, infrastructure 6074  
improvements, or renovation of existing structures in order to 6075  
develop an industrial park site for a distressed area, labor 6076  
surplus area, or situational distress area as defined in section 6077  
122.19 of the Revised Code that also is a distressed area, labor 6078  
surplus area, or situational distress area as defined in section 6079  
122.23 of the Revised Code, an applicant must be approved as a 6080  
grant applicant by resolution of the legislative authority of 6081  
each county containing any area that has been designated as an 6082  
eligible area by the director of housing and development under 6083  
division (A) of section 122.21 of the Revised Code and whose 6084  
governing body has designated the applicant to seek a grant for 6085  
any of these purposes on behalf of the eligible area. The 6086  
director shall adopt rules in accordance with Chapter 119. of 6087  
the Revised Code establishing criteria for the legislative 6088  
authority to use in determining whether to approve a qualified 6089  
applicant. 6090

**Sec. 122.23.** As used in sections 122.23 to 122.27 of the 6091

Revised Code: 6092

(A) "Distressed area" means a county with a population of 6093  
less than one hundred twenty-five thousand according to the most 6094  
recent federal decennial census published by the United States 6095  
census bureau that meets at least two of the following criteria: 6096

(1) Its average rate of unemployment, during the most 6097  
recent five-year period for which local area unemployment 6098  
statistics published by the United States bureau of labor 6099  
statistics are available, as of the date the most recent federal 6100  
decennial census was published, is equal to or greater than one 6101  
hundred twenty-five per cent of the average rate of unemployment 6102  
for the United States for the same period. 6103

(2) It has a per capita personal income equal to or less 6104  
than eighty per cent of the per capita personal income of the 6105  
United States as determined by the most recently available data 6106  
from the United States department of commerce, bureau of 6107  
economic analysis as of the date the most recent federal 6108  
decennial census was published. 6109

(3) Its ratio of personal current transfer receipts to 6110  
total personal income is equal to or greater than twenty-five 6111  
per cent, as determined by the most recently available data from 6112  
the United States department of commerce, bureau of economic 6113  
analysis as of the date the most recent federally decennial 6114  
census was published. 6115

If a federal agency ceases to publish the applicable data 6116  
described in division (A) of this section, the director of 6117  
housing and development shall designate, on the department of 6118  
housing and development's web site, an alternative source of the 6119  
applicable data published by a federal agency or, if no such 6120

source is available, another reliable source. 6121

(B) "Eligible applicant" means any of the following that 6122  
is designated by the governing body of an eligible area as 6123  
provided in division (B)(1) of section 122.27 of the Revised 6124  
Code: 6125

(1) A port authority as defined in division (A) of section 6126  
4582.01 or division (A) of section 4582.21 of the Revised Code; 6127

(2) A community improvement corporation as defined in 6128  
section 1724.01 of the Revised Code; 6129

(3) A community-based organization or action group that 6130  
provides social services and has experience in economic 6131  
development; 6132

(4) Any other nonprofit economic development entity; 6133

(5) A private developer that previously has not received 6134  
financial assistance under section 122.24 of the Revised Code in 6135  
the current biennium and that has experience and a successful 6136  
history in industrial development. 6137

(C) "Eligible area" means a distressed area, a labor 6138  
surplus area, a rural area, or a situational distress area, as 6139  
designated by the director of housing and development pursuant 6140  
to division (A) of section 122.25 of the Revised Code. 6141

(D) "Labor surplus area" means an area designated as a 6142  
labor surplus area by the United States department of labor. 6143

(E) "Official poverty line" has the same meaning as in 6144  
division (A) of section 3923.51 of the Revised Code. 6145

(F) "Situational distress area" means a county that has a 6146  
population of less than one hundred twenty-five thousand, or a 6147

municipal corporation in such a county, that has experienced or 6148  
is experiencing a closing or downsizing of a major employer that 6149  
will adversely affect the county's or municipal corporation's 6150  
economy. In order to be designated as a situational distress 6151  
area for a period not to exceed thirty-six months, the county or 6152  
municipal corporation may petition the director of housing and 6153  
development. The petition shall include documentation that 6154  
demonstrates all of the following: 6155

(1) The number of jobs lost by the closing or downsizing; 6156

(2) The impact that the job loss has on the county's or 6157  
municipal corporation's unemployment rate as measured by the 6158  
director of job and family services; 6159

(3) The annual payroll associated with the job loss; 6160

(4) The amount of state and local taxes associated with 6161  
the job loss; 6162

(5) The impact that the closing or downsizing has on the 6163  
suppliers located in the rural county or municipal corporation. 6164

(G) "Governing body" means, in the case of a county, the 6165  
board of county commissioners; in the case of a municipal 6166  
corporation, the legislative authority; and in the case of a 6167  
township, the board of township trustees. 6168

(H) "Infrastructure improvements" includes site 6169  
preparation, including building demolition and removal; 6170  
retention ponds and flood and drainage improvements; streets, 6171  
roads, bridges, and traffic control devices; parking lots and 6172  
facilities; water and sewer lines and treatment plants; gas, 6173  
electric, and telecommunications hook-ups; and waterway and 6174  
railway access improvements. 6175

(I) "Private developer" means any individual, firm, 6176  
corporation, or entity, other than a nonprofit entity, limited 6177  
profit entity, or governmental entity. 6178

(J) "Rural area" means any Ohio county that was an 6179  
eligible area immediately prior to September 30, 2021, and any 6180  
other Ohio county that is not designated as part of a 6181  
metropolitan statistical area by the United States office of 6182  
management and budget. 6183

**Sec. 122.24.** To promote economic development in rural 6184  
areas and to improve the economic welfare of the people of the 6185  
state, the director of housing and development shall administer 6186  
the rural industrial park loan program, which is hereby 6187  
established in accordance with Ohio Constitution, Article VIII, 6188  
Section 13, to assist eligible applicants in financing the 6189  
development and improvement of industrial parks by providing 6190  
financial assistance in the form of loans and loan guarantees 6191  
for land acquisition; constructing, reconstructing, 6192  
rehabilitating, remodeling, renovating, enlarging, or improving 6193  
industrial park buildings; and infrastructure improvements. 6194

This program shall not be used to compete against existing 6195  
Ohio industrial parks. 6196

An eligible applicant receiving assistance under the rural 6197  
industrial park program is not precluded from further 6198  
participation in this or any other department of housing and 6199  
development financial program, except that a private developer 6200  
that previously has received financial assistance under this 6201  
section is precluded from further participation in the rural 6202  
industrial park loan program. 6203

**Sec. 122.25.** (A) In administering the program established 6204

under section 122.24 of the Revised Code, the director of 6205  
housing and development shall do all of the following: 6206

(1) Designate, within three months after the publication 6207  
of each decennial census by the United States census bureau, the 6208  
entities that constitute the eligible areas in this state as 6209  
defined in section 122.23 of the Revised Code; 6210

(2) Inform local governments and others in the state of 6211  
the availability of the program and financial assistance 6212  
established under sections 122.23 to 122.27 of the Revised Code; 6213

(3) Report to the governor, president of the senate, 6214  
speaker of the house of representatives, and minority leaders of 6215  
the senate and the house of representatives by the first day of 6216  
August of each year on the activities carried out under the 6217  
program during the preceding calendar year. The report shall 6218  
include the number of loans made that year and the amount and 6219  
recipient of each loan. 6220

(4) Work in conjunction with conventional lending 6221  
institutions, local revolving loan funds, private investors, and 6222  
other private and public financing sources to provide loans or 6223  
loan guarantees to eligible applicants; 6224

(5) Establish fees, charges, interest rates, payment 6225  
schedules, local match requirements, and other terms and 6226  
conditions for loans and loan guarantees provided under the 6227  
program; 6228

(6) Require each applicant to demonstrate the suitability 6229  
of any site for the assistance sought; that the site has been 6230  
surveyed, that the site has adequate or available utilities, and 6231  
that there are no zoning restrictions, environmental 6232  
regulations, or other matters impairing the use of the site for 6233

the purpose intended; 6234

(7) Require each applicant to provide a marketing plan and 6235  
management strategy for the project; 6236

(8) Adopt rules establishing all of the following: 6237

(a) Forms and procedures by which eligible applicants may 6238  
apply for assistance; 6239

(b) Criteria for reviewing, evaluating, and ranking 6240  
applications, and for approving applications that best serve the 6241  
goals of the program; 6242

(c) Reporting requirements and monitoring procedures; 6243

(d) Guidelines regarding situations in which industrial 6244  
parks would be considered to compete against one another for the 6245  
purposes of division (B) (2) of section 122.27 of the Revised 6246  
Code; 6247

(e) Any other rules necessary to implement and administer 6248  
the program. 6249

(B) The director may adopt rules establishing requirements 6250  
governing the use of any industrial park site receiving 6251  
assistance under section 122.24 of the Revised Code, such that a 6252  
certain portion of the site must be used for manufacturing, 6253  
distribution, high technology, research and development, or 6254  
other businesses wherein a majority of the product or service 6255  
produced is exported out of the state. 6256

(C) As a condition of receiving assistance under section 6257  
122.24 of the Revised Code, and except as provided in division 6258  
(D) of this section, an applicant shall agree, for a period of 6259  
five years, not to permit the use of a site that is developed or 6260  
improved with such assistance to cause the relocation of jobs to 6261

that site from elsewhere in the state. 6262

(D) A site developed or improved with assistance under 6263  
section 122.24 of the Revised Code may be the site of jobs 6264  
relocated from elsewhere in the state if the director does all 6265  
of the following: 6266

(1) Makes a written determination that the site from which 6267  
the jobs would be relocated is inadequate to meet market or 6268  
industry conditions, expansion plans, consolidation plans, or 6269  
other business considerations affecting the relocating employer; 6270

(2) Provides a copy of the determination required by 6271  
division (D)(1) of this section to the members of the general 6272  
assembly whose legislative districts include the site from which 6273  
the jobs would be relocated; 6274

(3) Determines that the governing body of the area from 6275  
which the jobs would be relocated has been notified in writing 6276  
by the relocating company of the possible relocation. 6277

(E) The director shall obtain the approval of the 6278  
controlling board for any loan or loan guarantee provided under 6279  
sections 122.23 to 122.27 of the Revised Code. 6280

**Sec. 122.26.** The rural industrial park loan fund is hereby 6281  
created in the state treasury for the purposes of the program 6282  
established under section 122.24 of the Revised Code. The 6283  
director of housing and development services shall deposit money 6284  
received for the purposes of that section to the credit of the 6285  
fund. 6286

**Sec. 122.27.** (A) In order to be eligible for financial 6287  
assistance under section 122.24 of the Revised Code, an 6288  
applicant shall demonstrate to the director of housing and 6289  
development the applicant's capacity to undertake and oversee 6290



the project, as evidenced by documentation of the applicant's 6291  
past performance in economic development projects. 6292

(B) In order for an applicant to be eligible for financial 6293  
assistance under section 122.24 of the Revised Code, both of the 6294  
following apply: 6295

(1) The governing body of the entity that has been 6296  
designated as an eligible area by the director of housing and 6297  
development under division (A) of section 122.25 of the Revised 6298  
Code, by resolution or ordinance, shall designate the applicant 6299  
that will carry out the project for the purposes described in 6300  
section 122.24 of the Revised Code and specify the eligible 6301  
area's financial participation in the project. 6302

(2) The board of county commissioners of a county that has 6303  
been designated as an eligible area by the director of housing 6304  
and development under division (A) (1) of section 122.25 of the 6305  
Revised Code shall certify, by resolution, that no existing 6306  
industrial park is located in the county that would compete 6307  
against an industrial park that would be developed and improved 6308  
in the county through the use of financial assistance provided 6309  
to the applicant under the rural industrial park loan program. 6310  
Guidelines regarding situations in which industrial parks would 6311  
be considered to compete against one another shall be 6312  
established by rule in accordance with division (A) (8) (d) of 6313  
section 122.25 of the Revised Code. However, an existing 6314  
industrial park owner's consent to the new industrial park is 6315  
sufficient to demonstrate noncompetition. 6316

(C) Solely for the purpose of applying for assistance for 6317  
infrastructure improvements, a governing body may designate 6318  
itself as an eligible applicant. 6319

**Sec. 122.30.** The director of housing and development 6320  
~~services~~ is vested with the powers and duties provided in 6321  
sections 122.28 and 122.30 to 122.36 of the Revised Code, to 6322  
promote the welfare of the people of the state through the 6323  
interaction of the business and industrial community and 6324  
educational institutions in the development of new technology 6325  
and enterprise. 6326

(A) It is necessary for the state to establish the 6327  
programs created pursuant to sections 122.28 and 122.30 to 6328  
122.36 of the Revised Code to accomplish the following purposes 6329  
which are determined to be essential: 6330

(1) Improve the existing industrial and agricultural base 6331  
of the state; 6332

(2) Improve the economy of the state by providing 6333  
employment, increasing productivity, and slowing the rate of 6334  
inflation; 6335

(3) Develop markets worldwide for the products of the 6336  
state's natural resources and agricultural and manufacturing 6337  
industries; 6338

(4) Maintain a high standard of living for the people of 6339  
the state. 6340

(B) The director shall do all of the following: 6341

(1) Receive applications for assistance under sections 6342  
122.28 and 122.30 to 122.36 of the Revised Code; 6343

(2) Make a determination whether to approve the 6344  
application for assistance; 6345

(3) Transmit determinations to approve assistance 6346  
exceeding forty thousand dollars to the controlling board, 6347

together with any information the controlling board requires, 6348  
for the board's review and decision as to whether to approve the 6349  
assistance; 6350

(4) Gather and disseminate information and conduct 6351  
hearings, conferences, seminars, investigations, and special 6352  
studies on problems and programs concerning industrial research 6353  
and new technology and their commercial applications in the 6354  
state; 6355

(5) Establish an annual program to recognize the 6356  
accomplishments and contributions of individuals and 6357  
organizations in the development of industrial research and new 6358  
technology in the state; 6359

(6) Stimulate both public and industrial awareness and 6360  
interest in industrial research and development of new 6361  
technology primarily in the areas of industrial processes, 6362  
implementation, energy, agribusiness, medical technology, 6363  
avionics, and food processing; 6364

(7) Develop and implement comprehensive and coordinated 6365  
policies, programs, and procedures promoting industrial research 6366  
and new technology; 6367

(8) Propose appropriate legislation or executive actions 6368  
to stimulate the development of industrial research and new 6369  
technology by enterprises and individuals; 6370

(9) Encourage and facilitate contracts between industry, 6371  
agriculture, educational institutions, federal agencies, and 6372  
state agencies, with special emphasis on industrial research and 6373  
new technology by small businesses and agribusiness; 6374

(10) Participate with any state agency in developing 6375  
specific programs and goals to assist in the development of 6376

industrial research and new technology and monitor performance; 6377

(11) Assist enterprises in obtaining alternative forms of 6378  
governmental or commercial financing for industrial research and 6379  
new technology; 6380

(12) Assist enterprises or individuals in the 6381  
implementation of new programs and policies and the expansion of 6382  
existing programs to provide an atmosphere conducive to 6383  
increased cooperation among and participation by individuals, 6384  
enterprises, and educational institutions engaged in industrial 6385  
research and the development of new technology; 6386

(13) Advertise, prepare, print, and distribute books, 6387  
maps, pamphlets, and other information; 6388

(14) Include in the director's annual report to the 6389  
governor and the general assembly a report on the activities for 6390  
the preceding calendar year under sections 122.28 and 122.30 to 6391  
122.36 of the Revised Code; 6392

(15) Approve the expenditure of money appropriated by the 6393  
general assembly for the purpose of sections 122.28 and 122.30 6394  
to 122.36 of the Revised Code; 6395

(16) Identify and implement federal research and 6396  
development programs which would link Ohio's industrial base, 6397  
research facilities, and natural resources; 6398

(17) Employ and fix the compensation of technical and 6399  
professional personnel, who shall be in the unclassified civil 6400  
service, and employ other personnel, who shall be in the 6401  
classified civil service, as necessary to carry out the 6402  
provisions of sections 122.28 and 122.30 to 122.36 of the 6403  
Revised Code. 6404

**Sec. 122.31.** All expenses and obligations incurred by the 6405  
director of housing and development ~~services~~ in carrying out the 6406  
director's powers and duties under sections 122.28 and 122.30 to 6407  
122.36 of the Revised Code, are payable from revenues or other 6408  
receipts or income from grants, gifts, contributions, 6409  
compensation, reimbursement, and funds established in accordance 6410  
with those sections or general revenue funds appropriated by the 6411  
general assembly for operating expenses of the director. 6412

**Sec. 122.32.** The director of housing and development 6413  
~~services~~, on behalf of the programs authorized pursuant to 6414  
sections 122.28 and 122.30 to 122.36 of the Revised Code, may 6415  
receive and accept grants, gifts, and contributions of money, 6416  
property, labor, and other things of value to be held, used, and 6417  
applied only for the purpose for which the grants, gifts, and 6418  
contributions are made, from individuals, private and public 6419  
corporations, from the United States or any agency of the United 6420  
States, and from any political subdivision of the state. The 6421  
director may agree to repay any contribution of money or to 6422  
return any property contributed or its value at times, in 6423  
amounts, and on terms and conditions excluding the payment of 6424  
interest as the director determines at the time the contribution 6425  
is made. The director may evidence the obligation by written 6426  
contracts, subject to section 122.31 of the Revised Code, 6427  
provided that the director shall not thereby incur indebtedness 6428  
of or impose liability upon the state or any political 6429  
subdivision. 6430

**Sec. 122.33.** The director of housing and development 6431  
~~services~~ shall administer the following programs: 6432

(A) The industrial technology and enterprise development 6433  
grant program, to provide capital to acquire, construct, 6434

enlarge, improve, or equip and to sell, lease, exchange, and 6435  
otherwise dispose of property, structures, equipment, and 6436  
facilities within the state. 6437

Such funding may be made to enterprises that propose to 6438  
develop new products or technologies when the director finds all 6439  
of the following factors to be present: 6440

(1) The undertaking will benefit the people of the state 6441  
by creating or preserving jobs and employment opportunities or 6442  
improving the economic welfare of the people of the state, and 6443  
promoting the development of new technology. 6444

(2) There is reasonable assurance that the potential 6445  
royalties to be derived from the sale of the product or process 6446  
described in the proposal will be sufficient to repay the 6447  
funding pursuant to sections 122.28 and 122.30 to 122.36 of the 6448  
Revised Code and that, in making the agreement, as it relates to 6449  
patents, copyrights, and other ownership rights, there is 6450  
reasonable assurance that the resulting new technology will be 6451  
utilized to the maximum extent possible in facilities located in 6452  
Ohio. 6453

(3) The technology and research to be undertaken will 6454  
allow enterprises to compete more effectively in the 6455  
marketplace. Grants of capital may be in such form and 6456  
conditioned upon such terms as the director deems appropriate. 6457

(B) The industrial technology and enterprise resources 6458  
program to provide for the collection, dissemination, and 6459  
exchange of information regarding equipment, facilities, and 6460  
business planning consultation resources available in business, 6461  
industry, and educational institutions and to establish methods 6462  
by which small businesses may use available facilities and 6463

resources. The methods may include, but need not be limited to, 6464  
leases reimbursing the educational institutions for their actual 6465  
costs incurred in maintaining the facilities and agreements 6466  
assigning royalties from development of successful products or 6467  
processes through the use of the facilities and resources. The 6468  
director shall operate this program in conjunction with the 6469  
board of regents. 6470

(C) The Thomas Alva Edison grant program to provide grants 6471  
to foster research, development, or technology transfer efforts 6472  
involving enterprises and educational institutions that will 6473  
lead to the creation of jobs. 6474

(1) Grants may be made to a nonprofit organization or a 6475  
public or private educational institution, department, college, 6476  
institute, faculty member, or other administrative subdivision 6477  
or related entity of an educational institution when the 6478  
director finds that the undertaking will benefit the people of 6479  
the state by supporting research in advanced technology areas 6480  
likely to improve the economic welfare of the people of the 6481  
state through promoting the development of new commercial 6482  
technology. 6483

(2) Grants may be made in a form and conditioned upon 6484  
terms as the director considers appropriate. 6485

(3) Grants made under this program shall in all instances 6486  
be in conjunction with a contribution to the project by a 6487  
cooperating enterprise which maintains or proposes to maintain a 6488  
relevant research, development, or manufacturing facility in the 6489  
state, by a nonprofit organization, or by an educational 6490  
institution or related entity; however, funding provided by an 6491  
educational institution or related entity shall not be from 6492  
general revenue funds appropriated by the Ohio general assembly. 6493

No grant made under this program shall exceed the contribution 6494  
made by the cooperating enterprise, nonprofit organization, or 6495  
educational institution or related entity. The director may 6496  
consider cooperating contributions in the form of state of the 6497  
art new equipment or in other forms provided the director 6498  
determines that the contribution is essential to the successful 6499  
implementation of the project. The director may adopt rules or 6500  
guidelines for the valuation of contributions of equipment or 6501  
other property. 6502

(4) The director may determine fields of research from 6503  
which grant applications will be accepted under this program. 6504

**Sec. 122.35.** All moneys received under sections 122.28 and 6505  
122.30 to 122.36 of the Revised Code are trust funds to be held 6506  
and applied solely as provided in those sections and section 6507  
166.03 of the Revised Code. All moneys, except when deposited 6508  
with the treasurer of the state, shall be kept and secured in 6509  
depositories as selected by the director of housing and 6510  
development ~~services~~ in the manner provided in sections 135.01 6511  
to 135.21 of the Revised Code, insofar as those sections are 6512  
applicable. All moneys held by the director in trust to carry 6513  
out the purposes of sections 122.28 and 122.30 to 122.36 of the 6514  
Revised Code shall be used as provided in sections 122.28 and 6515  
122.30 to 122.36 of the Revised Code and at no time be part of 6516  
other public funds. 6517

**Sec. 122.36.** Any materials or data submitted to, made 6518  
available to, or received by the director of housing and 6519  
development ~~services~~ or the controlling board, to the extent 6520  
that the material or data consist of trade secrets, as defined 6521  
in section 1333.61 of the Revised Code, or commercial or 6522  
financial information, regarding projects are not public records 6523



for the purposes of section 149.43 of the Revised Code.

**Sec. 122.37.** (A) There is hereby created in the department  
of housing and development ~~services agency~~ the steel futures  
program, for the purpose of preserving and improving the  
existing industrial base of the state, improving the economy of  
the state by providing employment, increased productivity, and  
ensuring continued technological development consistent with  
these goals, and maintaining a high standard of living for the  
people of this state. The steel futures program may be  
supplemental to any other enterprise assistance program  
administered by the director of housing and development  
~~services~~, and shall be administered so as to provide financial  
and technical assistance to increase the competitiveness of  
existing steel and steel-related industries in this state, and  
to encourage establishment and development of new industries of  
this type within the state.

The director shall develop a strategy for financial and  
technical assistance to steel and steel-related industries in  
the state, which shall include investment policies with regard  
to these industries.

(B) In administering the program, the director may consult  
with appropriate representatives of steel and steel-related  
industries, appropriate representatives of any union that  
represents workers in these industries, and other persons with  
expert knowledge in these industries.

(C) The director of housing and development ~~services~~ shall  
consult with the chairperson of the public utilities commission  
to foster development of public and private cooperative efforts  
that result in energy savings and reduced energy costs for steel  
and steel-related industries.

(D) Assistance may be made available to steel and steel- 6554  
related industries undertaking projects the director determines 6555  
to have long-term implications for and broad applicability to 6556  
the economy of this state when the director finds: 6557

(1) The undertaking of projects by the industries will 6558  
benefit the people of the state by creating or preserving jobs 6559  
and employment opportunities or improving the economic welfare 6560  
of the people of this state, and promoting development of new 6561  
technology or improving application of existing steel and steel- 6562  
related technology. 6563

(2) The undertaking of projects by the industries will 6564  
allow them to compete more effectively in the marketplace. 6565

(E) Projects eligible to receive assistance under the 6566  
steel futures program may include, but are not limited to, the 6567  
following areas: 6568

(1) Research and development specifically related to steel 6569  
and steel-related industries and feasibility studies for 6570  
business development within these industries; 6571

(2) Employee training; 6572

(3) Labor and management relations; and 6573

(4) Technology-driven capital investment. 6574

(F) Financial and technical assistance may be in the form 6575  
and conditioned upon terms as the director considers 6576  
appropriate. 6577

(G) No later than the first day of August of each year, 6578  
the director shall submit a report to the general assembly 6579  
describing projects of the steel futures program, results 6580  
obtained from completed projects of the program, and program 6581

projects for the next fiscal year. 6582

**Sec. 122.38.** (A) As used in this section: 6583

(1) "Small business enterprise" means any person with a 6584  
principal place of business or research in the state, who meets 6585  
the definition of a "small business concern" as defined in 13 6586  
C.F.R. 121.7 (a), as amended. 6587

(2) "Eligible educational institution" means any 6588  
educational institution that disseminates information, conducts 6589  
educational or technical seminars and meetings, or provides 6590  
other services of value or interest to small business 6591  
enterprises. 6592

(3) "Eligible organization" means any organization, 6593  
representing the interest of small business enterprises or areas 6594  
of technological research, that disseminates information, 6595  
conducts educational or technical seminars and meetings, or 6596  
provides other services of value or interest to small business 6597  
enterprises. 6598

(B) There is hereby created in the department of housing 6599  
and development the small business innovation research grant 6600  
program for the purpose of providing educational, technical, and 6601  
financial assistance to: 6602

(1) Any small business enterprise engaging in or intending 6603  
to engage in technological research that the director of housing 6604  
and development determines to be innovative and in the broad and 6605  
long-term interest of the economy of the state; 6606

(2) Any eligible educational institution; 6607

(3) Any eligible organization. 6608

(C) The director may provide educational, technical, and 6609

financial assistance to small business enterprises, eligible 6610  
educational institutions, and eligible organizations. Any 6611  
assistance shall be in the form and conditioned upon terms the 6612  
director considers appropriate. 6613

(D) The director shall: 6614

(1) Establish the procedures by which small business 6615  
enterprises, eligible educational institutions, and eligible 6616  
organizations may apply for assistance under this section; 6617

(2) Collect, prepare, and disseminate information, 6618  
describing the types of assistance offered under the program and 6619  
describing relevant federal programs and services to small 6620  
business enterprises, eligible educational institutions, and 6621  
eligible organizations as the director considers appropriate; 6622

(3) Adopt rules for the administration of this section, in 6623  
accordance with Chapter 119. of the Revised Code. 6624

**Sec. 122.401.** There is hereby established the Ohio 6625  
residential broadband expansion grant program within the 6626  
~~department of housing and development-services agency.~~ The 6627  
~~agency-department~~ shall administer and provide staff assistance 6628  
for the program. The ~~agency-department~~ shall be responsible for 6629  
receiving and reviewing applications for program grants and for 6630  
sending completed applications to the broadband expansion 6631  
program authority for final review and award of program grants. 6632

**Sec. 122.403.** (A) (1) There is hereby created, within the 6633  
department of housing and development, the broadband expansion 6634  
program authority, which shall consist of the director of 6635  
housing and development or the director's designee, the director 6636  
of the office of InnovateOhio or the director's designee, and 6637  
three other members as follows: one member appointed by the 6638

president of the senate, one member appointed by the speaker of 6639  
the house of representatives, and one member appointed by the 6640  
governor. 6641

(2) Appointed members shall have expertise in broadband 6642  
infrastructure and technology. Appointed members may not be 6643  
affiliated with or employed by the broadband industry or in a 6644  
position to benefit from a program grant. 6645

(B) Appointed members shall serve four year terms and are 6646  
eligible for reappointment. 6647

(C) Vacancies shall be filled in the same manner as 6648  
provided for original appointments. Any member appointed to fill 6649  
a vacancy occurring prior to the expiration of the term for 6650  
which the member's predecessor was appointed shall hold office 6651  
for the remainder of that term. 6652

(D) (1) (a) Beginning on January 1, 2022, and ending on 6653  
December 31, 2025, appointed members shall receive a monthly 6654  
stipend as calculated under section 145.016 of the Revised Code 6655  
in an amount that will qualify each member for one year of 6656  
retirement service credit under the Ohio public employees 6657  
retirement system for each year of service as a member of the 6658  
authority during that period. 6659

(b) Notwithstanding the requirement of section 145.58 of 6660  
the Revised Code that eligibility for health care coverage 6661  
provided under that section be based on years and types of 6662  
service credit in accordance with rules adopted by the public 6663  
employees retirement board, if the board provides health care 6664  
coverage under that section, no service credit earned for 6665  
service as a member of the authority shall be considered for 6666  
purposes of determining eligibility for coverage under that 6667

section. 6668

(c) Members shall receive reimbursement for their 6669  
necessary and actual expenses incurred in performing the 6670  
business of the authority. The reimbursements constitute, as 6671  
applicable, administrative costs of the Ohio residential 6672  
broadband expansion grant program. 6673

(2) An appointed member of the authority who is currently 6674  
serving as an administrative department head under section 6675  
121.03 of the Revised Code is not eligible to receive a stipend 6676  
under division (A) of this section. 6677

(3) The ~~agency~~ department of housing and development shall 6678  
be responsible for paying all reimbursements for meals and 6679  
expenses under this section and, for the period beginning on 6680  
January 1, 2022, and ending on December 31, 2025, all stipends 6681  
under this section. 6682

(E) The director of housing and development, or the 6683  
director's designee, shall serve as chairperson of the 6684  
authority. The members of the authority annually shall elect a 6685  
vice-chairperson from the members of the authority. Three 6686  
members of the authority constitute a quorum to transact and 6687  
vote on the business of the authority. An affirmative vote of 6688  
three members is necessary to approve any business, including 6689  
the election of the vice-chairperson. 6690

(F) The assignment of designees by the director of housing 6691  
and development and the director of InnovateOhio shall be made 6692  
in writing. If the director of housing and development assigns a 6693  
designee to serve on the authority, the director shall appoint a 6694  
professional employee of the department of housing and 6695  
development to serve as the director's designee at authority 6696

meetings. In the absence of the director of housing and 6697  
development or the director's designee, the vice-chairperson of 6698  
the authority shall serve as chairperson of authority meetings. 6699

(G) The authority is not an agency for purposes of 6700  
sections 101.82 to 101.87 of the Revised Code. 6701

**Sec. 122.406.** The broadband expansion program authority 6702  
shall consider each application for a program grant that the 6703  
department of housing and development ~~services agency~~ has 6704  
reviewed and sent to it. The authority shall score all 6705  
applications according to the scoring system established under 6706  
section 122.4040 of the Revised Code and award program grants 6707  
based on that system according to sections 122.4043 and 122.4044 6708  
of the Revised Code. 6709

**Sec. 122.4017.** (A) The broadband expansion program 6710  
authority shall award program grants under the Ohio residential 6711  
broadband expansion grant program using funds from the Ohio 6712  
residential broadband expansion grant program fund created in 6713  
section 122.4037 of the Revised Code and other funds 6714  
appropriated by the general assembly. 6715

(B) If an appropriation for the program includes funds 6716  
that are not state funds or if the director of housing and 6717  
development receives funds that are in the form of a gift, 6718  
grant, or contribution to the broadband expansion grant program 6719  
fund, the broadband expansion program authority shall award 6720  
those funds as described in sections 122.40 to 122.4077 of the 6721  
Revised Code, except as provided in division (C) of this 6722  
section. 6723

(C) If the use of the funds described in division (B) of 6724  
this section is contingent upon meeting application, scoring, or 6725

other requirements that are different from program requirements 6726  
under sections 122.40 to 122.4077 of the Revised Code, the 6727  
department of housing and development shall adopt the 6728  
requirements and publish a description of the different 6729  
requirements with the program application as required under 6730  
section 122.4040 of the Revised Code. 6731

**Sec. 122.4018.** (A) Each fiscal year, the department of 6732  
housing and development ~~services agency~~ shall fund program 6733  
grants until funds for that fiscal year are no longer available. 6734

(B) Any application pending at the end of the fiscal year 6735  
shall be deemed denied, but may be refiled in a subsequent 6736  
fiscal year provided that all information in the application is 6737  
still current or has been updated. 6738

**Sec. 122.4019.** (A) (1) Each fiscal year, the department of 6739  
housing and development shall accept applications for program 6740  
grants. 6741

(2) To apply for a program grant, a broadband provider 6742  
shall submit an application to the department on a form 6743  
prescribed by the department and shall provide the information 6744  
required under section 122.4020 of the Revised Code. The form 6745  
shall include a statement informing the applicant that failure 6746  
to comply with the program or to meet the required tier two 6747  
broadband service proposed in the application may require the 6748  
refund of all or a portion of the program grant awarded for the 6749  
project. 6750

(3) Applications may be submitted in person or by 6751  
certified mail or electronic mail, or uploaded to a designated 6752  
department web site for applications. 6753

(B) Applications shall be accepted during a submission 6754



period specified by the broadband expansion program authority. 6755  
Each submission period shall be at least sixty but not more than 6756  
ninety days. Each fiscal year there shall be not more than two 6757  
submission periods. 6758

(C) The department shall publish information from 6759  
submitted applications on the department's web site as follows: 6760

(1) Not later than five days after the close of the 6761  
submission period in which the application is made, the 6762  
department shall publish, for each completed application, the 6763  
list of eligible addresses included with the completed 6764  
applications under division (A) (1) (a) of section 122.4020 of the 6765  
Revised Code. 6766

(2) Not later than thirty-five days after the close of the 6767  
submission period in which the application is made, the 6768  
department shall publish all information from each completed 6769  
application that it determines is not confidential under section 6770  
122.4023 of the Revised Code. 6771

(D) If an application is incomplete, the department shall 6772  
notify the broadband provider that submitted the application. 6773  
The notification shall list what information is incomplete and 6774  
shall describe the procedure for refiling a completed 6775  
application. 6776

(E) The department shall review an application determined 6777  
incomplete under division (D) of this section as provided in 6778  
sections 122.4019 to 122.4036 of the Revised Code if the 6779  
application is completed and refiled: 6780

(1) Before the end of the submission period described 6781  
under division (B) of this section; or 6782

(2) Not later than fourteen days after the end of the 6783

submission period described under division (B) of this section, 6784  
if the department, for good cause shown, has granted the 6785  
broadband provider an extension period of not more than fourteen 6786  
days in which to file the completed application. 6787

(F) The department shall deny an incomplete application if 6788  
the broadband provider fails to complete and refile it within 6789  
the applicable submission period or extension period. 6790  
Applications that are denied shall not be published on the 6791  
department's web site. 6792

(G) To facilitate the challenge process, after publication 6793  
of all applications, the department shall publish a provisional 6794  
scoring for applications based on the scoring criteria in 6795  
section 122.4041 of the Revised Code. The department shall 6796  
publish the provisional scoring on its web site not later than 6797  
fifteen business days after all applications have been accepted 6798  
as complete under this section. The authority shall neither vote 6799  
on, nor make awards based on, the provisional scoring. 6800

**Sec. 122.4020.** (A) An application for a program grant 6801  
under the Ohio residential broadband expansion grant program 6802  
shall include, at a minimum, the following information for an 6803  
eligible project: 6804

(1) The location and description of the project, 6805  
including: 6806

(a) The residential addresses in the unserved or tier one 6807  
areas where tier two broadband service will be available 6808  
following completion of the project; 6809

(b) A notarized letter of intent that the broadband 6810  
provider will provide access to tier two broadband service to 6811  
all of the residential addresses listed in the project; 6812

(c) A notarized letter of intent by the broadband provider 6813  
that none of the funds provided by the program grant will be 6814  
used to extend or deploy facilities to any residential addresses 6815  
other than those in the unserved or tier one areas that are part 6816  
of the project. 6817

(2) The amount of the broadband funding gap and the amount 6818  
of state funds requested; 6819

(3) The amount of any financial or in-kind contributions 6820  
to be used towards the broadband funding gap and identification 6821  
of the contribution sources, which may include, but are not 6822  
limited to, any combination of the following: 6823

(a) Funds that the broadband provider is willing to 6824  
contribute to the broadband funding gap; 6825

(b) Funds received or approved under any other federal or 6826  
state government grant or loan program; 6827

(c) General revenue funds of a municipal corporation, 6828  
township, or county comprising the area of the eligible project; 6829

(d) Other discretionary funds of the municipal 6830  
corporation, township, or county comprising the area of the 6831  
eligible project; 6832

(e) Any alternate payment terms that the broadband 6833  
provider and any legislative authority in which the project is 6834  
located have negotiated and agreed to pursuant to section 6835  
122.4025 of the Revised Code; 6836

(f) Contributions or grants from individuals, 6837  
organizations, or companies; 6838

(g) Property tax assessments made by the municipal 6839  
corporation under Chapter 727. of the Revised Code, township 6840

under section 505.881 of the Revised Code, or county under 6841  
section 303.251 of the Revised Code. 6842

(4) The source and amount of any financial or in-kind 6843  
contributions received or approved for any part of the overall 6844  
eligible project cost, but not applied to the broadband funding 6845  
gap; 6846

(5) A description of, or documentation demonstrating, the 6847  
broadband provider's managerial and technical expertise and 6848  
experience with broadband service projects; 6849

(6) Whether the broadband provider plans to use wired, 6850  
wireless, or satellite technology to complete the project; 6851

(7) A description of the scalability of the project; 6852

(8) The megabit-per-second broadband download and upload 6853  
speeds planned for the project; 6854

(9) A description of the broadband provider's customer 6855  
service capabilities, including any locally based call centers 6856  
or customer service offices; 6857

(10) A copy of the broadband provider's general customer 6858  
service policies, including any policy to credit customers for 6859  
service outages or the provider's failure to keep scheduled 6860  
appointments for service; 6861

(11) The length of time that the broadband provider has 6862  
been operating in the state; 6863

(12) Proof that the broadband provider has the financial 6864  
stability to complete the project; 6865

(13) A projected construction timetable, including the 6866  
anticipated date of the provision of tier two broadband service 6867

access within the project; 6868

(14) A description of anticipated or preliminary 6869  
government authorizations, permits, and other approvals required 6870  
in connection with the project, and an estimated timetable for 6871  
the acquisition of such approvals; 6872

(15) A notification from the broadband provider informing 6873  
the department of housing and development of any information 6874  
contained in the application, or within related documents 6875  
submitted with it, that the provider considers proprietary or a 6876  
trade secret; 6877

(16) A notarized statement that the broadband provider 6878  
accepts the condition that noncompliance with Ohio residential 6879  
broadband expansion grant program requirements may require the 6880  
provider to refund all or part of any program grant the provider 6881  
receives; 6882

(17) A brief description of any arrangements, including 6883  
any subleases of infrastructure or joint ownership arrangements 6884  
that the broadband provider that submitted the application has 6885  
entered into, or plans to enter into, with another broadband 6886  
provider, an electric cooperative, or an electric distribution 6887  
utility, to enable the offering of tier two broadband service 6888  
under the project; 6889

(18) Other relevant information that the department 6890  
determines is necessary and prescribes by rule; 6891

(19) Any other information the broadband provider 6892  
considers necessary. 6893

(B) To meet the requirement to provide proof of financial 6894  
responsibility in the application, the broadband provider may 6895  
submit publicly available financial statements with its 6896

application.

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**Sec. 122.4023.** Pursuant to rules adopted under section  
122.4077 of the Revised Code, the department of housing and  
development ~~services agency~~ shall evaluate the information and  
documents submitted by a broadband provider in an application  
under section 122.4013 of the Revised Code or by a challenging  
provider under section 122.4030 of the Revised Code. The  
evaluation shall determine whether the information and documents  
are proprietary or constitute a trade secret. Upon receipt of  
the information and documents, the ~~agency department~~ shall keep  
them confidential and shall not publish them on the ~~agency's~~  
department's web site, unless the ~~agency department~~ finds that  
any information or document is not proprietary or a trade  
secret. Any information or document found not to be proprietary  
or a trade secret under this section shall not be considered  
confidential and shall be published on the ~~agency department~~ web  
site as is required for an application under division (C) (2) of  
section 122.4019 of the Revised Code.

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**Sec. 122.4024.** The department of housing and development  
~~services agency~~ shall establish an automatic notification  
process through which interested parties may receive electronic  
mail notifications when the ~~agency department~~ publishes  
application and other information on its web site pursuant to  
sections 122.40 to 122.4077 of the Revised Code.

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**Sec. 122.4030.** (A) As used in section 122.4023 and  
sections 122.4030 to 122.4035 of the Revised Code, "challenging  
provider" means either of the following:

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(1) A broadband provider that provides tier two broadband  
service within or directly adjacent to an eligible project;

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(2) A municipal electric utility that provides tier two  
broadband service to an area within the eligible project that is  
within the geographic area served by the municipal electric  
utility.

(B) (1) (a) A challenging provider may challenge, in  
writing, all or part of a completed application for a program  
grant for the project not later than sixty-five days after the  
provisional application scoring has been published on the web  
site as required under section 122.4019 of the Revised Code.

(b) The department of housing and development, for good  
cause shown, may grant the broadband provider an extension of  
not more than fourteen days in which to submit a challenge.

(2) The challenging provider shall provide its complete  
challenge to the department, by electronic mail or such other  
means as may be established by the department. Within ten  
business days of its receipt of a challenge, the department  
shall provide, by electronic mail or such other means as may be  
established by the department, a complete copy of such challenge  
to the applicant whose application is the subject of a  
challenge.

(C) No challenge to an application may be accepted before  
the completed application is published in its entirety on the  
department's web site pursuant to division (C) (2) of section  
122.4019 of the Revised Code.

**Sec. 122.4031.** (A) To successfully challenge an  
application, a challenging provider shall provide sufficient  
evidence to the department of housing and development  
demonstrating that all or part of a project under the  
application is ineligible for a grant. The challenge shall, at

minimum, include the following information: 6955

(1) Sufficient evidence disputing the notarized letter of 6956  
intent submitted with the application that the eligible project 6957  
contains eligible addresses; 6958

(2) Sufficient evidence attesting to the challenging 6959  
provider's existing or planned offering of tier two broadband 6960  
service to all or part of the eligible project, which evidence 6961  
shall include the following: 6962

(a) With regard to existing tier two broadband service, a 6963  
signed, notarized statement submitted by the challenging 6964  
provider that sufficiently identifies the part of the eligible 6965  
project to which the challenging provider offers broadband 6966  
service and the aggregate number of eligible addresses to which 6967  
the challenging provider offers tier two broadband service; 6968

(b) With regard to the planned provision of tier two 6969  
broadband service by a challenging provider as described in 6970  
division (B) of section 122.4016 of the Revised Code, both of 6971  
the following: 6972

(i) A signed, notarized statement submitted by the 6973  
challenging provider that sufficiently identifies the part of 6974  
the eligible project to which the challenging provider will 6975  
offer tier two broadband service; 6976

(ii) A summary of the construction efforts that includes 6977  
the dates when tier two broadband construction is expected to be 6978  
completed and when tier two broadband service will first be 6979  
offered to the part of the eligible project being challenged. 6980

(B) To demonstrate that all or part of a project under the 6981  
application is ineligible for a grant, a challenging provider 6982  
shall present shapefile data and residential addresses 6983



identifying each challenged residential address and the basis 6984  
for such challenge. Census block or census tract level data 6985  
shall not be acceptable as evidence of ineligibility of all or 6986  
part of a project. 6987

(C) The department shall reject any challenge regarding a 6988  
residential address where the provision of tier two broadband 6989  
service is planned to be provided if the challenging provider 6990  
has also submitted an application for funding for the same 6991  
residential address. 6992

**Sec. 122.4032.** If an application filed during an 6993  
application submission period established by the department of 6994  
housing and development under section 122.4019 of the Revised 6995  
Code is not challenged pursuant to sections 122.4030 to 122.4035 6996  
of the Revised Code, the lack of a challenge does not do either 6997  
of the following: 6998

(A) Create a presumption that residential addresses 6999  
included in an application submitted in a subsequent submission 7000  
period are eligible addresses under the Ohio residential 7001  
broadband expansion grant program; 7002

(B) Prohibit a challenging provider from filing a 7003  
challenge to an application that is being refiled during a 7004  
subsequent submission period. 7005

**Sec. 122.4033.** (A) Not later than thirty days after 7006  
receipt of a challenge under sections 122.4030 to 122.4035 of 7007  
the Revised Code, the broadband expansion program authority may 7008  
do either of the following: 7009

(1) Suspend, subject to division (B) of this section, all 7010  
or part of the application; 7011

(2) Reject the challenge, approve the application, and 7012

proceed with the application process. 7013

(B) The authority shall allow the broadband provider that 7014  
submitted the application being challenged to revise the 7015  
application consistent with sections 122.40 to 122.4077 of the 7016  
Revised Code, if the authority upholds a challenge to all or 7017  
part of the application. 7018

(C) The authority shall notify both the broadband provider 7019  
that submitted the application and the challenging provider of 7020  
any decision made under this section by providing a copy of the 7021  
decision by certified mail or electronic mail. The authority 7022  
shall update the status of the application on the department of 7023  
housing and development ~~services agency~~ web site. 7024

**Sec. 122.4034.** (A) If the broadband expansion program 7025  
authority suspends all or part of an application, the broadband 7026  
provider that submitted the application may revise and resubmit 7027  
the application not later than fourteen days after receiving the 7028  
suspension notification sent by the authority pursuant to 7029  
section 122.4033 of the Revised Code. The broadband provider may 7030  
request, and the authority may grant for good cause shown, an 7031  
extension period of not more than fourteen days in which the 7032  
broadband provider may resubmit the application. 7033

(B) When revising the application, the broadband provider 7034  
shall not expand the scope or impact of the original 7035  
application, nor shall the provider add any new residential 7036  
addresses to the eligible project. 7037

(C) The broadband provider shall provide a copy of the 7038  
revised application to the authority by electronic mail or by 7039  
uploading it to the department of housing and development's 7040  
designated web site for applications. The department shall 7041

publish the revised application on the department's public web 7042  
site and provide the application to the challenging provider by 7043  
electronic mail or such other means as may be established by the 7044  
department, provided that any information determined to be 7045  
proprietary or a trade secret under section 122.4023 of the 7046  
Revised Code is redacted. 7047

(D) Any failure to respond to the notification or properly 7048  
revise the application to the authority's satisfaction shall be 7049  
considered a withdrawal of the application. 7050

**Sec. 122.4035.** Upon receipt of a revised application under 7051  
section 122.4034 of the Revised Code, the broadband expansion 7052  
program authority shall review the revised application and 7053  
decide whether to accept it or uphold the challenge under 7054  
sections 122.4030 to 122.4035 of the Revised Code within 7055  
fourteen days. The authority shall provide a copy of its 7056  
decision to both the broadband provider that submitted the 7057  
revised application and the challenging provider by certified 7058  
mail or electronic mail and shall update the status of the 7059  
application on the ~~development services agency's~~ department of 7060  
housing and development's web site. The decision shall be 7061  
considered final, and further challenges to the revised 7062  
application are prohibited. 7063

**Sec. 122.4036.** If the broadband expansion program 7064  
authority upholds a challenge to an application under sections 7065  
122.4030 to 122.4035 of the Revised Code and the challenging 7066  
provider fails to provide tier two broadband service as 7067  
described in the challenge, the challenging provider, after a 7068  
reasonable opportunity to be heard, may be required to do either 7069  
or both of the following, in addition to being subject to other 7070  
remedies available under the law: 7071

(A) Pay to the department of housing and development 7072  
~~services agency~~ the amount of the original broadband funding gap 7073  
described in section 122.4020 of the Revised Code for the 7074  
application that was challenged; 7075

(B) Comply with the requirements of any other penalties 7076  
prescribed by ~~agency~~ department rule and imposed after 7077  
consultation with the authority. 7078

**Sec. 122.4037.** Any gift, grant, and contribution received 7079  
by the director of housing and development for the Ohio 7080  
residential broadband expansion grant program and any money 7081  
collected under section 122.4036 of the Revised Code shall be 7082  
deposited into the Ohio residential broadband expansion grant 7083  
program fund, which is hereby created in the state treasury. All 7084  
amounts in the fund, including interest earned on those amounts, 7085  
shall be used by the department of housing and development 7086  
exclusively for grants under sections 122.40 to 122.4077 of the 7087  
Revised Code. 7088

**Sec. 122.4040.** The department of housing and development, 7089  
in consultation with the broadband expansion program authority, 7090  
shall establish a scoring system to evaluate and select 7091  
applications for program grants. The scoring system shall be 7092  
available on the department's web site at least thirty days 7093  
before the beginning of the application submission period set by 7094  
the department by rule. A description of any differences in 7095  
application, scoring system, or other program requirements 7096  
adopted under division (C) of section 122.4017 of the Revised 7097  
Code shall be available with the application on the department's 7098  
web site at least thirty days before the beginning of the 7099  
application submission period. 7100

**Sec. 122.4043.** (A) The broadband expansion program 7101

authority shall award program grants under the Ohio residential 7102  
broadband expansion grant program after reviewing applications 7103  
sent to the authority by the department of housing and 7104  
~~development-services-agency~~. Awards shall be granted after the 7105  
authority scores applications based on the scoring system under 7106  
sections 122.4040 and 122.4041 of the Revised Code. 7107

(B) In awarding program grants, the authority shall 7108  
consider all regulatory obligations under applicable law. The 7109  
authority may not consider any of the following: 7110

(1) Proposed project conditions that require open access 7111  
networks or that establish a specific rate, service, or other 7112  
obligation not specified for the Ohio residential broadband 7113  
expansion grant program; 7114

(2) Factors that would constrain a broadband provider that 7115  
receives a grant from offering or providing tier two broadband 7116  
service in the same manner as the service is offered by 7117  
broadband providers in other areas of the state without funding 7118  
from the Ohio residential broadband expansion grant program. 7119

(C) Upon making the program grant awards, the authority 7120  
shall notify the broadband providers that submitted applications 7121  
of the award decisions. The authority shall publish the program 7122  
grant awards on the ~~agency's~~ department's web site. 7123

**Sec. 122.4044.** After the broadband expansion program 7124  
authority awards a program grant under section 122.4043 of the 7125  
Revised Code, the department of housing and development ~~services-~~ 7126  
~~agency~~ shall disburse the program grant as follows: 7127

(A) A portion of the program grant, not to exceed thirty 7128  
per cent, shall be disbursed before construction of the project 7129  
begins. 7130

(B) A portion of the program grant, not to exceed sixty 7131  
per cent, shall be disbursed through periodic payments over the 7132  
course of construction of the eligible project as determined by 7133  
the ~~agency~~ department by rules adopted under section 122.4077 of 7134  
the Revised Code. 7135

(C) The remaining portion shall be disbursed not later 7136  
than sixty days after the broadband provider notifies the 7137  
authority that it has completed construction of the project. 7138

**Sec. 122.4045.** (A) The department of housing and 7139  
development may, through an independent third party, conduct 7140  
speed verification tests of an eligible project that receives a 7141  
program grant. Such tests shall occur as follows: 7142

(1) After the construction is complete, but prior to the 7143  
final disbursement made under division (C) of section 122.4044 7144  
of the Revised Code to verify that tier two broadband service is 7145  
being offered; 7146

(2) At any time during the reporting period required under 7147  
division (B) of section 122.4070 of the Revised Code, after 7148  
receiving a complaint concerning a residential address that is 7149  
part of the eligible project. 7150

(B) To evaluate compliance with tier two broadband service 7151  
standards, speed verification tests conducted under this section 7152  
shall be conducted on at least two different days and at two 7153  
different times on each of those days. 7154

(C) The ~~agency~~ department may withhold payments under this 7155  
section for failure to meet at least the minimum speeds required 7156  
under division (A)(8) of section 122.4020 of the Revised Code. 7157  
Payments may be held until such speeds are achieved. 7158

**Sec. 122.4046.** (A) If the department of housing and 7159

development ~~services agency~~ determines that a broadband provider 7160  
that has been awarded a program grant under the Ohio residential 7161  
broadband expansion grant program has not complied with the 7162  
requirements of the program, the ~~agency department~~ shall notify 7163  
the provider of the noncompliance. In accordance with rules 7164  
adopted by the ~~agency department~~ under section 122.4077 of the 7165  
Revised Code, the ~~agency department~~ shall give the provider an 7166  
opportunity to explain or cure the noncompliance. 7167

(B) After reviewing the broadband provider's explanation 7168  
or effort to cure the noncompliance, the following shall apply: 7169

(1) The ~~agency department~~ may require the provider to 7170  
refund an amount equal to all, or a portion of, the amount of 7171  
the program grant awarded to the provider, as determined by the 7172  
~~agency department~~. 7173

(2) The ~~agency department~~ may require the broadband 7174  
provider to refund to the appropriate municipal corporation, 7175  
township, or county the entire amount of general revenue funds 7176  
or other discretionary funds that it contributed toward the 7177  
broadband funding gap under division (A) (3) (c) or (d) of section 7178  
122.4020 of the Revised Code. 7179

(C) Not more than thirty days after the ~~agency's~~ 7180  
~~department's~~ decision requiring a refund for program 7181  
noncompliance or a failure to explain or cure it, the broadband 7182  
provider shall pay the refund required under division (B) of 7183  
this section. Payments shall be made directly to the municipal 7184  
corporation, township, or county that contributed funds toward 7185  
the broadband funding gap. 7186

**Sec. 122.4050.** Upon adoption of a resolution, a board of 7187  
county commissioners may request the department of housing and 7188

development ~~services agency~~ to solicit applications from 7189  
broadband providers for program grants under the Ohio 7190  
residential broadband expansion grant program for eligible 7191  
projects in the municipal corporations and townships of the 7192  
county. 7193

A request made by a county shall identify, to the extent 7194  
possible, the residential addresses in unserved or tier one 7195  
areas of the county and provide a point of contact at the county 7196  
and the municipal corporations and townships in which the 7197  
addresses are located. The request may include any relevant 7198  
information, documents, or materials that may be helpful for an 7199  
application. 7200

**Sec. 122.4051.** Upon receipt of a request from a board of 7201  
county commissioners pursuant to section 122.4050 of the Revised 7202  
Code, the department of housing and development ~~services agency~~ 7203  
shall solicit, on behalf of the county, applications for program 7204  
grants for eligible projects under the Ohio residential 7205  
broadband expansion grant program. Not later than seven days 7206  
after receipt of the request, the ~~agency department~~ shall make 7207  
the request, and any accompanying information submitted with the 7208  
request, available for review on the ~~agency's department's~~ web 7209  
site. The request shall remain available on the web site for a 7210  
period not to exceed two years. 7211

**Sec. 122.4055.** The department of housing and development 7212  
~~services agency~~ shall not be responsible for any failure by a 7213  
broadband provider to respond to a request made by the ~~agency~~ 7214  
department pursuant to section 122.4051 of the Revised Code or 7215  
to submit an application for a program grant under the Ohio 7216  
residential broadband expansion grant program. 7217

**Sec. 122.4063.** (A) Nothing in sections 122.40 to 122.4077 7218



of the Revised Code entitles the state of Ohio, the department 7219  
of housing and development~~services agency~~, the broadband 7220  
expansion program authority, or any other governmental entity to 7221  
any ownership or other rights to broadband infrastructure 7222  
constructed by a broadband provider pursuant to a program grant 7223  
awarded to an eligible project. 7224

(B) Nothing in sections 122.40 to 122.4077 of the Revised 7225  
Code prevents an assignment, sale, change in ownership, or other 7226  
similar transaction associated with broadband infrastructure 7227  
constructed by a broadband provider pursuant to a program grant 7228  
awarded to an eligible project. No assignment, sale, change in 7229  
ownership, or other similar transaction relieves the successor 7230  
of any obligation under sections 122.40 to 122.4077 of the 7231  
Revised Code. 7232

**Sec. 122.4070.** (A) Each broadband provider that receives a 7233  
program grant shall submit to the department of housing and 7234  
development ~~services agency~~ an annual progress report on the 7235  
status of the deployment of the broadband network described in 7236  
the eligible project for which the program grant award was made. 7237

(B) The broadband provider shall submit an operational 7238  
report with the ~~agency~~ department not later than sixty days 7239  
after the completion of the project and annually thereafter for 7240  
a period of four years. 7241

**Sec. 122.4071.** (A) The reports required under section 7242  
122.4070 of the Revised Code and except as provided in section 7243  
122.4075 of the Revised Code, all information and documents in 7244  
them shall be in a format specified by the department of housing 7245  
and development and shall be publicly available on the 7246  
department's web site. 7247

(B) In each report, the broadband provider shall include 7248  
an account of how program grant funds have been used and the 7249  
project's progress toward fulfilling the objectives for which 7250  
the program grant was awarded. The reports, at a minimum, shall 7251  
include the following: 7252

(1) The number of residential addresses that have access 7253  
to tier two broadband services as a result of the eligible 7254  
project; 7255

(2) The number of residential addresses that are not 7256  
funded directly by the grant program but have access to tier two 7257  
broadband service as a result of the eligible project; 7258

(3) The upstream and downstream speed of the broadband 7259  
service provided; 7260

(4) The average price of broadband service; 7261

(5) The number of broadband service subscriptions 7262  
attributable to the program grant. 7263

**Sec. 122.4073.** The department of housing and development 7264  
~~services agency~~ may set a due date for the reports required 7265  
under section 122.4070 of the Revised Code and, for good cause 7266  
shown, may grant extensions of the report due dates. 7267

**Sec. 122.4075.** Reports required under section 122.4070 of 7268  
the Revised Code, and all information and documents in them, 7269  
shall be maintained on a confidential basis by the department of 7270  
housing and development ~~services agency~~ and shall not be 7271  
published on the ~~agency's department's~~ web site until the ~~agency~~ 7272  
department determines what information or documents are not 7273  
confidential pursuant to section 122.4023 of the Revised Code. 7274

**Sec. 122.4076.** (A) The broadband expansion program 7275

authority shall complete an annual report for the Ohio 7276  
residential broadband expansion grant program. The report shall 7277  
evaluate the success of the program grants awarded under section 7278  
122.4043 of the Revised Code in making tier two broadband 7279  
services available to unserved and tier one areas. The report 7280  
shall include the following information: 7281

(1) The number of applications received; 7282

(2) The number of applications that received program 7283  
grants; 7284

(3) The amount of broadband infrastructure constructed for 7285  
eligible projects; 7286

(4) The number of residential addresses receiving, for 7287  
that year, tier two broadband service for the first time under 7288  
the program; 7289

(5) Findings and recommendations that have been agreed to 7290  
by a majority of the authority members. 7291

(B) The report shall be published on the department of 7292  
housing and development's web site and shall be included as part 7293  
of the department's annual report filed under section 121.18 of 7294  
the Revised Code. The authority shall present the report 7295  
annually to the governor and the general assembly not later than 7296  
the first of December of each calendar year. 7297

**Sec. 122.4077.** (A) The department of housing and 7298  
~~development services agency~~ shall adopt rules for the Ohio 7299  
residential broadband expansion grant program. The rules shall 7300  
establish an application form and application procedures for the 7301  
program and procedures for periodic program grant disbursements. 7302

(B) The rules may include the following: 7303

(1) Requirements for a program application in addition to 7304  
the requirements described in section 122.4020 of the Revised 7305  
Code; 7306

(2) Procedures for and circumstances under which partial 7307  
funding of applications is permitted; 7308

(3) Procedures for broadband expansion program authority 7309  
meetings, extension periods for applications and application 7310  
challenges, hearings, and opportunities for public comment. 7311

(C) The ~~agency~~ department may adopt rules and procedures 7312  
to implement sections 122.4051, 122.4053, and 122.4055 of the 7313  
Revised Code. 7314

(D) Rules adopted under this section are not subject to 7315  
section 121.95 of the Revised Code. 7316

(E) The ~~agency~~ department and the authority are not 7317  
subject to division (F) of section 121.95 of the Revised Code 7318  
regarding the development and adoption of rules pursuant to this 7319  
section. 7320

**Sec. 122.41.** The director of housing and development 7321  
~~services~~ is invested with the powers and duties provided in 7322  
Chapter 122. of the Revised Code, in order to promote the 7323  
welfare of the people of the state, to stabilize the economy, to 7324  
provide employment, to assist in the development within the 7325  
state of industrial, commercial, distribution, and research 7326  
activities required for the people of the state, and for their 7327  
gainful employment, or otherwise to create or preserve jobs and 7328  
employment opportunities, or improve the economic welfare of the 7329  
people of the state, and also to assist in the financing of air, 7330  
water, or thermal pollution control facilities and solid waste 7331  
disposal facilities by mortgage insurance as provided in section 7332

122.451 of the Revised Code. It is hereby determined that the 7333  
accomplishment of such purposes is essential so that the people 7334  
of the state may maintain their present high standards in 7335  
comparison with the people of other states and so that 7336  
opportunities for employment and for favorable markets for the 7337  
products of the state's natural resources, agriculture, and 7338  
manufacturing shall be improved and that it is necessary for the 7339  
state to establish the programs authorized pursuant to Chapter 7340  
122. of the Revised Code and invest the director of housing and 7341  
development ~~services~~ with the powers and duties provided in 7342  
Chapter 122. of the Revised Code. The powers granted to the 7343  
director by Chapter 165. of the Revised Code are independent of 7344  
and in addition and alternate to, and are not limited or 7345  
restricted by, Chapter 122. of the Revised Code. 7346

**Sec. 122.42.** (A) The director of housing and development 7347  
shall do all of the following: 7348

(1) Receive applications for assistance under sections 7349  
122.39 and 122.41 to 122.62 of the Revised Code; 7350

(2) Make a final determination whether to approve the 7351  
application for assistance; 7352

(3) Transmit determinations to approve assistance to the 7353  
controlling board together with any information the controlling 7354  
board requires for the board's review and decision as to whether 7355  
to approve the assistance; 7356

(4) Issue revenue bonds of the state through the treasurer 7357  
of state, as necessary, payable solely from revenues and other 7358  
sources as provided in sections 122.39 and 122.41 to 122.62 of 7359  
the Revised Code. 7360

(B) The director may do all of the following: 7361

(1) Fix the rate of interest and charges to be made upon 7362  
or with respect to moneys loaned by the director and the terms 7363  
upon which mortgages and lease rentals may be guaranteed and the 7364  
rates of charges to be made for the loans and guarantees and to 7365  
make provisions for the operation of the funds established by 7366  
the director in accordance with this section and sections 7367  
122.54, 122.55, 122.56, and 122.57 of the Revised Code; 7368

(2) Loan moneys from the fund established in accordance 7369  
with section 122.54 of the Revised Code pursuant to and in 7370  
compliance with sections 122.39 and 122.41 to 122.62 of the 7371  
Revised Code; 7372

(3) Acquire in the name of the director any property of 7373  
any kind or character in accordance with sections 122.39 and 7374  
122.41 to 122.62 of the Revised Code, by purchase, purchase at 7375  
foreclosure, or exchange on such terms and in such manner as the 7376  
director considers proper; 7377

(4) Make and enter into all contracts and agreements 7378  
necessary or incidental to the performance of the director's 7379  
duties and the exercise of the director's powers under sections 7380  
122.39 and 122.41 to 122.62 of the Revised Code; 7381

(5) Maintain, protect, repair, improve, and insure any 7382  
property which the director has acquired and dispose of the same 7383  
by sale, exchange, or lease for the consideration and on the 7384  
terms and in the manner as the director considers proper, but is 7385  
not authorized to operate any such property as a business except 7386  
as the lessor of the property; 7387

(6) (a) When the cost of any contract for the maintenance, 7388  
protection, repair, or improvement of any property held by the 7389  
director other than compensation for personal services involves 7390

an expenditure of more than one thousand dollars, the director 7391  
shall make a written contract with the lowest responsive and 7392  
responsible bidder in accordance with section 9.312 of the 7393  
Revised Code after advertisement for not less than two 7394  
consecutive weeks in a newspaper of general circulation in the 7395  
county where such contract, or some substantial part of it, is 7396  
to be performed, and in such other publications as the director 7397  
determines, which notice shall state the general character of 7398  
the work and the general character of the materials to be 7399  
furnished, the place where plans and specifications may be 7400  
examined, and the time and place of receiving bids. 7401

(b) Each bid for a contract for the construction, 7402  
demolition, alteration, repair, or reconstruction of an 7403  
improvement shall contain the full name of every person 7404  
interested in it and meet the requirements of section 153.54 of 7405  
the Revised Code. 7406

(c) Each bid for a contract, except as provided in 7407  
division (B) (6) (b) of this section, shall contain the full name 7408  
of every person interested in it and shall be accompanied by 7409  
bond or certified check on a solvent bank, in such amount as the 7410  
director considers sufficient, that if the bid is accepted a 7411  
contract will be entered into and the performance of the 7412  
proposal secured. 7413

(d) The director may reject any and all bids. 7414

(e) A bond with good and sufficient surety, approved by 7415  
the director, shall be required of every contractor awarded a 7416  
contract except as provided in division (B) (6) (b) of this 7417  
section, in an amount equal to at least fifty per cent of the 7418  
contract price, conditioned upon faithful performance of the 7419  
contract. 7420

(7) Employ financial consultants, appraisers, consulting 7421  
engineers, superintendents, managers, construction and 7422  
accounting experts, attorneys, and other employees and agents as 7423  
are necessary in the director's judgment and fix their 7424  
compensation; 7425

(8) Assist qualified persons in the coordination and 7426  
formation of a small business development company, having a 7427  
statewide area of operation, conditional upon the company's 7428  
agreeing to seek to obtain certification from the federal small 7429  
business administration as a certified statewide development 7430  
company and participation in the guaranteed loan program 7431  
administered by the small business administration pursuant to 7432  
the Act of July 2, 1980, 94 Stat. 837, 15 U.S.C.A. 697. During 7433  
the initial period of formation of the statewide small business 7434  
development company, the director shall provide technical and 7435  
financial expertise, legal and managerial assistance, and other 7436  
services as are necessary and proper to enable the company to 7437  
obtain and maintain federal certification and participation in 7438  
the federal guaranteed loan program. The director may charge a 7439  
fee, in such amount and on such terms and conditions as the 7440  
director determines necessary and proper, for assistance and 7441  
services provided pursuant to division (B)(8) of this section. 7442

Persons chosen by the director to receive assistance in 7443  
the formation of a statewide small business development company 7444  
pursuant to division (B)(8) of this section shall make a special 7445  
effort to use their participation in the federal guaranteed loan 7446  
program to assist small businesses which are minority business 7447  
enterprises as defined in division (E) of section 122.71 of the 7448  
Revised Code. The director, with the assistance of the minority 7449  
business development division of the department of housing and 7450  
development, shall provide technical and financial expertise, 7451



legal and managerial assistance, and other services in such a 7452  
manner to enable the development company to provide assistance 7453  
to small businesses which are minority business enterprises, and 7454  
shall make available to the development company information 7455  
pertaining to assistance available to minority business 7456  
enterprises under programs established pursuant to sections 7457  
122.71 to 122.83, 122.87 to 122.89, 122.92 to 122.94, 122.921, 7458  
and 125.081 of the Revised Code. 7459

(9) Receive and accept grants, gifts, and contributions of 7460  
money, property, labor, and other things of value to be held, 7461  
used, and applied only for the purpose for which such grants, 7462  
gifts, and contributions are made, from individuals, private and 7463  
public corporations, from the United States or any agency of the 7464  
United States, from the state or any agency of the state, and 7465  
from any political subdivision of the state, and may agree to 7466  
repay any contribution of money or to return any property 7467  
contributed or the value of the property at such times, in such 7468  
amounts, and on such terms and conditions, excluding the payment 7469  
of interest, as the director determines at the time such 7470  
contribution is made, and may evidence such obligations by 7471  
notes, bonds, or other written instruments; 7472

(10) Establish with the treasurer of state the funds 7473  
provided in sections 122.54, 122.55, 122.56, and 122.57 of the 7474  
Revised Code, in addition to such funds as the director 7475  
determines are necessary or proper; 7476

(11) Do all acts and things necessary or proper to carry 7477  
out the powers expressly granted and the duties imposed in 7478  
sections 122.39 and 122.41 to 122.62 and Chapter 163. of the 7479  
Revised Code. 7480

(C) All expenses and obligations incurred by the director 7481

in carrying out the director's powers and in exercising the 7482  
director's duties under sections 122.39 and 122.41 to 122.62 of 7483  
the Revised Code, shall be payable solely from the proceeds of 7484  
revenue bonds issued pursuant to those sections, from revenues 7485  
or other receipts or income of the director, from grants, gifts, 7486  
and contributions, or funds established in accordance with those 7487  
sections. Those sections do not authorize the director to incur 7488  
indebtedness or to impose liability on the state or any 7489  
political subdivision of the state. 7490

(D) Financial statements and financial data submitted to 7491  
the director by any corporation, partnership, or person in 7492  
connection with a loan application, or any information taken 7493  
from such statements or data for any purpose, shall not be open 7494  
to public inspection. 7495

**Sec. 122.43.** The director of housing and development 7496  
~~services~~, with controlling board approval, may lend funds which 7497  
are obtained from the sale of revenue bonds issued by the 7498  
treasurer of state pursuant to sections 122.39 and 122.41 to 7499  
122.62 of the Revised Code, from revenues or other receipts or 7500  
income of the director, or funds established in accordance with 7501  
sections 122.39 and 122.41 to 122.62 of the Revised Code, and 7502  
from grants, gifts, and contributions subject to any provisions 7503  
of resolutions authorizing the revenue bonds or of trust 7504  
agreements securing such bonds, to community improvement 7505  
corporations and Ohio development corporations and other 7506  
corporations, partnerships, and persons for the purpose of 7507  
procuring or improving real or personal property, or both, for 7508  
the establishment, location, or expansion of industrial, 7509  
distribution, commercial, or research facilities in the state, 7510  
and to community improvement corporations and Ohio development 7511  
corporations for the purpose of loaning funds to other 7512

corporations, partnerships, and persons for the purpose of 7513  
procuring or improving real or personal property, or both, for 7514  
the establishment, location, or expansion of industrial, 7515  
distribution, commercial, or research facilities in the state, 7516  
if the director finds that: 7517

(A) The project is economically sound and will benefit the 7518  
people of the state by increasing opportunities for employment 7519  
and strengthening the economy of the state; 7520

(B) The proposed borrower, if other than a community 7521  
improvement corporation or an Ohio development corporation, is 7522  
unable to finance the proposed project through ordinary 7523  
financial channels upon reasonable terms and at comparable 7524  
interest rates, or the borrower, if a community improvement 7525  
corporation or an Ohio development corporation, should not, in 7526  
the opinion of the director, be required to finance the proposed 7527  
project without a loan from the director; 7528

(C) The value of the project is, or upon completion 7529  
thereof will be, at least equal to the total amount of the money 7530  
expended in such procurement or improvement of which amount one 7531  
or more financial institutions have loaned or invested not less 7532  
than forty per cent; 7533

(D) The amount to be loaned by the director will not 7534  
exceed fifty per cent of the total amount expended in the 7535  
procurement or improvement of the project; 7536

(E) The amount to be loaned by the director will be 7537  
adequately secured by a first or second mortgage upon the 7538  
project, and by mortgages, leases, liens, assignments, or 7539  
pledges on or of such other property or contracts as the 7540  
director shall require and that such mortgage will not be 7541

subordinate to any other liens or mortgages except the liens 7542  
securing loans or investments made by financial institutions 7543  
referred to in division (C) of this section, and the liens 7544  
securing loans previously made by any financial institution in 7545  
connection with the procurement or expansion of all or part of a 7546  
project. 7547

In no event may the director lend funds under the 7548  
authority of this section for the purpose of procuring or 7549  
improving motor vehicles, power driven vehicles, office 7550  
equipment, raw materials, small tools, supplies, inventories, or 7551  
accounts receivable. 7552

**Sec. 122.44.** Fees, charges, rates of interest, times of 7553  
payment of interest and principal, and other terms, conditions, 7554  
and provisions of the loans made by the director of housing and 7555  
~~development services~~ pursuant to sections 122.39 and 122.41 to 7556  
122.62 of the Revised Code shall be such as the director 7557  
determines to be appropriate and in furtherance of the purpose 7558  
for which the loans are made, but the mortgage lien securing any 7559  
money loaned by the director may be subordinate to the mortgage 7560  
lien securing any money loaned or invested by a financial 7561  
institution, but shall be superior to that securing any money 7562  
loaned or expended by any other corporation or person. The funds 7563  
used in making such loans shall be disbursed upon order of the 7564  
director. 7565

**Sec. 122.45.** The director of housing and development, with 7566  
controlling board approval, may lend funds to any county, 7567  
municipal corporation, or township or any other political 7568  
subdivision of the state for the purpose of expediting the 7569  
creation, location, or expansion of industrial, distribution, 7570  
commercial, or research facilities in the state by the 7571

construction or installation of streets, sidewalks, storm 7572  
sewers, sanitary sewers and sewage disposal works, water lines, 7573  
and water supply facilities which such subdivisions are 7574  
authorized by law to construct or install, and the acquisition 7575  
of lands or easements for such purposes, if the director finds 7576  
that: 7577

(A) A plan for the use of the money so loaned in 7578  
connection with the creation, location, or expansion of such a 7579  
facility is economically sound and will benefit the people of 7580  
the state by increasing opportunities for employment and 7581  
strengthening the economy; 7582

(B) The proposed borrower is unable to procure the money 7583  
for the aforesaid use within the time required in order to 7584  
secure the desired creation, location, or expansion of such 7585  
facilities; 7586

(C) An agreement for repayment of the money loaned with 7587  
interest thereon has been made by such subdivision evidenced by 7588  
its notes, bonds, or by written contract, payable, however, only 7589  
from moneys payable to such subdivision by a community 7590  
improvement corporation, an Ohio development corporation, or 7591  
other corporation, partnership, or person, or any combination 7592  
thereof; 7593

(D) There is adequate assurance that the moneys payable by 7594  
such corporation or person to such subdivision will be paid as 7595  
they fall due and will be payable at such times as are necessary 7596  
to provide such subdivision with moneys sufficient to pay its 7597  
loan to the director as it falls due. 7598

The rates of interest and times of payment of interest and 7599  
principal and other terms, conditions, and provisions of the 7600

loans shall be such as the director determines to be appropriate 7601  
and in furtherance of the purpose for which the loans are made. 7602  
The funds used in making such loans shall be disbursed upon 7603  
order of the director. 7604

Any subdivision intending to borrow funds from the 7605  
director pursuant to this section may agree with a community 7606  
improvement corporation, an Ohio development corporation, 7607  
partnership, or other corporation or person, or any combination 7608  
thereof, to construct any one or more of the improvements for 7609  
which such funds are to be borrowed in return for a commitment, 7610  
satisfactory to both such subdivision and the director, to make 7611  
available to such subdivision sufficient moneys to discharge its 7612  
loan from the director as it falls due. 7613

Any subdivision to which such a loan is made may issue to 7614  
the director its notes or bonds for the repayment of such loan, 7615  
or may by written contract agree to repay such loan provided 7616  
that the obligation to pay is limited to the moneys received by 7617  
the subdivision from such corporation, partnership, or person 7618  
and is not an obligation for which the faith or credit or taxing 7619  
power of the subdivision is pledged. 7620

Any subdivision ~~receiving~~ receiving such a loan may 7621  
construct or cause to be constructed the improvements for which 7622  
such loan is made in the manner provided by law or charter for 7623  
the making of contracts for such improvements, and may, if no 7624  
special assessments are to be levied against benefited 7625  
properties, dispense with all notices to the public or to 7626  
property owners and all hearings otherwise required with respect 7627  
to the making of such improvements, and in such case no 7628  
resolution or order determining to make the improvement shall be 7629  
subject to any appeal. 7630

**Sec. 122.451.** Upon application of any person, partnership, 7631  
or corporation, or upon application of any community improvement 7632  
corporation organized as provided in section 1724.01 of the 7633  
Revised Code, the director of housing and development, with 7634  
controlling board approval, may, pledging therefor moneys in the 7635  
mortgage insurance fund created by section 122.561 of the 7636  
Revised Code, insure or make advance commitments to insure not 7637  
more than ninety per cent of any mortgage payments required. 7638  
Before insuring any such mortgage payments the director shall 7639  
determine that: 7640

(A) The project, in accordance with Section 13 of Article 7641  
VIII, Ohio Constitution, will create or preserve jobs and 7642  
employment opportunities, or improve the economic welfare of the 7643  
people of the state, or be an air quality facility, waste water 7644  
facility, or solid waste facility, as defined in section 7645  
3706.01, 6121.01, or 6123.01 of the Revised Code. 7646

(B) The principal obligation, including initial service 7647  
charges and appraisal, inspection, and other fees approved by 7648  
the director, does not exceed one hundred per cent of the cost 7649  
of the project. 7650

(C) The mortgage has a satisfactory maturity date in no 7651  
case later than twenty-five years from the date of the 7652  
insurance. 7653

(D) The mortgagor is responsible and able to meet the 7654  
payments under the mortgage. 7655

(E) The mortgage contains complete amortization provisions 7656  
satisfactory to the director requiring periodic payments by the 7657  
mortgagor which may include principal and interest payments, 7658  
cost of local property taxes and assessments, land lease 7659

rentals, if any, and hazard insurance on the property and such 7660  
mortgage insurance premiums as are required under section 7661  
122.561 of the Revised Code, all as the director from time to 7662  
time prescribes or approves. 7663

(F) The mortgage is in such form and contains such terms 7664  
and provisions with respect to property insurance, repairs, 7665  
alterations, payment of taxes and assessments, default reserves, 7666  
delinquency charges, default remedies, anticipation of maturity, 7667  
additional and secondary liens, and other matters as the 7668  
director may prescribe. 7669

The director may take assignments of insured mortgages and 7670  
other forms of security and may take title by foreclosure or 7671  
conveyance to any project when an insured mortgage loan thereon 7672  
is clearly in default and when in the opinion of the director 7673  
such acquisition is necessary to safeguard the mortgage 7674  
insurance fund, and may sell, or on a temporary basis lease or 7675  
rent, such project. 7676

**Sec. 122.46.** The director of housing and development may 7677  
purchase real property, and personal property in connection 7678  
therewith, in the state from funds available ~~to him~~ for that 7679  
purpose if ~~he~~ the director finds that: 7680

(A) Such property is owned by the United States, or an 7681  
agency or instrumentality thereof, or by the state or an agency, 7682  
instrumentality, or subdivision thereof; 7683

(B) Such property is, or after improvement will be, useful 7684  
for industrial, commercial, distribution, or research facilities 7685  
in the state; 7686

(C) Utilization of such property in the creation, 7687  
location, or expansion of such facilities is economically sound 7688



and will benefit the people of the state by increasing 7689  
opportunities for employment and strengthening the economy. 7690

The conveyance of such property by an agency, 7691  
instrumentality, or subdivision of the state may be made without 7692  
advertising for bids and on the terms and in the manner 7693  
established by such agency, instrumentality, or subdivision and 7694  
provided further that if the property is to be conveyed by the 7695  
state of Ohio, the director of the department of the state 7696  
having jurisdiction or supervision of such property shall 7697  
determine if the property is required by such department and if 7698  
determined not to be required, shall, with the approval of the 7699  
governor and the controlling board, convey such property to the 7700  
director of housing and development at its fair market value as 7701  
fixed by an appraisal by three disinterested persons appointed 7702  
by the director of administrative services and the deed therefor 7703  
shall be prepared and recorded pursuant to section 5301.13 of 7704  
the Revised Code and the proceeds from such sale shall be paid 7705  
into the state treasury to the credit of the appropriate fund. 7706  
Such a conveyance shall transfer all interest of the state in 7707  
the property. 7708

The director may improve any property acquired under this 7709  
section and may construct and equip buildings, structures, and 7710  
other facilities thereon for industrial, commercial, 7711  
distribution, or research facilities. It is not intended hereby 7712  
to authorize the director ~~himself~~ to operate any such 7713  
industrial, commercial, distribution, or research facilities. 7714

Such property, or parts thereof, may be sold by the 7715  
director or may be leased by ~~it~~ the director at such times and in 7716  
such manner as the director determines and at such price or on 7717  
such rentals as the director determines to be fair and 7718

reasonable. 7719

Such lease may provide for improvements to be made by the 7720  
lessee at its expense, all of which shall immediately become the 7721  
property of the director. Movable personal property of the 7722  
lessee shall remain its property. 7723

The director shall determine the amount to be paid in the 7724  
acquisition and improvement of such property, the price and 7725  
terms of sale, and the rents and other terms of any lease 7726  
including an option to purchase the leased property. 7727  
Disbursement of funds shall be made upon order of the director. 7728  
All leases, contracts, agreements, and deeds shall be executed 7729  
by the director in the manner and by ~~his~~ the director's agents 7730  
as ~~he~~ the director provides. 7731

**Sec. 122.47.** At the request of the director of housing and 7732  
development, the treasurer of state shall issue revenue bonds of 7733  
the state for the purpose of acquiring moneys for the purposes 7734  
of this chapter, which moneys shall be credited by the treasurer 7735  
of state as the director of housing and development shall 7736  
determine to and among the funds established in accordance with 7737  
or pursuant to sections 122.35, 122.42, 122.54, 122.55, 122.56, 7738  
122.561, and 122.57 of the Revised Code. The principal of and 7739  
interest on such revenue bonds shall be payable solely from the 7740  
sinking funds established in accordance with section 122.57 of 7741  
the Revised Code at the times and in the order and manner 7742  
provided in the bond issuing proceedings or in any trust 7743  
agreements securing such bonds, and shall be secured by the 7744  
revenue bond guaranty fund established in accordance with 7745  
section 122.571 of the Revised Code and shall also be secured by 7746  
moneys in the other funds established by the director to the 7747  
extent and on the terms ~~he~~ the director specifies and by 7748

covenants of the director~~that he will~~to so manage the loans 7749  
and leases and fix interest rates, charges, and rentals so as to 7750  
assure receipt of net income and revenue sufficient to provide 7751  
for the payment of the principal of and the interest on the 7752  
revenue bonds. 7753

**Sec. 122.48.** Each issue of revenue bonds issued by the 7754  
treasurer of state pursuant to sections 122.39 and 122.41 to 7755  
122.62 of the Revised Code, shall be dated, shall bear interest 7756  
at a rate or rates or at a variable rate, as provided in or 7757  
authorized by the proceedings authorizing or providing for the 7758  
terms and conditions of the revenue bonds, shall mature at such 7759  
time or times, not to exceed forty years from date, as 7760  
determined by the director of housing and development services~~services~~ 7761  
and may be made redeemable before maturity at the option of the 7762  
director at such price or prices and under such terms and 7763  
conditions as are fixed by the director prior to the issuance of 7764  
the bonds. The director shall determine the form of the bonds, 7765  
including any interest coupons to be attached thereto, and the 7766  
denomination or denominations of the bonds and the place or 7767  
places of payment of principal and interest, which may be at any 7768  
bank or trust company within or without the state. 7769

The bonds shall be executed by the signature or facsimile 7770  
signature of the treasurer of state, the official seal or a 7771  
facsimile thereof of the state shall be affixed thereto and 7772  
attested by the treasurer of state or designated treasurer of 7773  
state, and any coupons attached thereto shall bear the facsimile 7774  
signature of the treasurer of state. In case the person whose 7775  
signature, or a facsimile of whose signature, appears on any 7776  
bonds or coupons ceases to be such officer before delivery of 7777  
bonds or in case such person was not at the date of such bonds 7778  
or coupons such officer but at the actual date of execution of 7779

such bonds or coupons was the proper officer, such signature or 7780  
facsimile shall nevertheless be valid and sufficient for all 7781  
purposes the same as if the person had remained in office until 7782  
such delivery. 7783

All revenue bonds issued under sections 122.39 and 122.41 7784  
to 122.62 of the Revised Code, shall be negotiable instruments. 7785  
The bonds may be issued in coupon or in registered form or both, 7786  
as the treasurer determines. Provision may be made for the 7787  
registration of any coupon bonds as to the principal alone and 7788  
also as to both principal and interest, and for the reconversion 7789  
into coupon bonds of any bonds registered as to both principal 7790  
and interest. The treasurer of state may sell such bonds in the 7791  
manner and for the price the treasurer of state determines to be 7792  
for the best interest of the state. 7793

Prior to the preparation of definitive bonds, the 7794  
treasurer of state may, under like restrictions, issue interim 7795  
receipts or temporary bonds, with or without coupons, 7796  
exchangeable for definitive bonds when such bonds have been 7797  
executed and are available for delivery. The treasurer of state 7798  
may also provide for the replacement of any bonds which become 7799  
mutilated or are destroyed, stolen, or lost. Bonds may be issued 7800  
under sections 122.39 and 122.41 to 122.62 of the Revised Code, 7801  
without obtaining the consent of any department, division, 7802  
commission, board, bureau, or agency of the state, and without 7803  
any other proceeding or the happening of any other conditions or 7804  
things than those proceedings, conditions, or things which are 7805  
specifically required by such sections. 7806

**Sec. 122.49.** The proceeds of each issue of revenue bonds 7807  
issued pursuant to sections 122.39 and 122.41 to 122.62 of the 7808  
Revised Code shall be used for the making of loans authorized in 7809

sections 122.43 and 122.45 of the Revised Code, for the purchase 7810  
and improvement of property authorized in section 122.46 of the 7811  
Revised Code, for insuring mortgage payments authorized in 7812  
section 122.451 of the Revised Code, and for the crediting into 7813  
and among the funds established in accordance with sections 7814  
122.35, 122.54, 122.55, 122.56, 122.561, and 122.57 of the 7815  
Revised Code, but subject to such conditions, limitations, and 7816  
covenants with the purchasers and holders of the bonds as shall 7817  
be provided for in the bond authorization proceedings and in the 7818  
trust agreement securing the same. 7819

Provision shall be made by the director of housing and 7820  
~~development services~~ for the payment of the expenses of the 7821  
director in operating the assistance programs authorized under 7822  
this chapter in such manner and to such extent as shall be 7823  
determined by the director. 7824

**Sec. 122.52.** The director of housing and development 7825  
~~services~~ may provide for the issuance of revenue refunding bonds 7826  
of the state by the treasurer of state, payable solely from the 7827  
sinking funds established in accordance with section 122.51 of 7828  
the Revised Code at the times and in the order and manner 7829  
provided by the director and in any trust agreement securing 7830  
such bonds and shall also be secured by moneys in the other 7831  
funds established pursuant to sections 122.39 and 122.41 to 7832  
122.62 of the Revised Code to the extent and on the terms 7833  
specified by the director, for the purpose of refunding any 7834  
revenue bonds then outstanding which have been issued under 7835  
sections 122.39 and 122.41 to 122.62 of the Revised Code, 7836  
including the payment of any redemption premium thereon and any 7837  
interest accrued or to accrue to the date of redemption of such 7838  
bonds. The issuance of such bonds, the maturities and other 7839  
details thereof, the rights of the holders thereof, and the 7840

rights, duties, and obligations of the director and treasurer of 7841  
state in respect to such bonds shall be governed by such 7842  
sections insofar as they are applicable. 7843

**Sec. 122.53.** In the discretion of the treasurer of state, 7844  
any bonds issued under sections 122.39 and 122.41 to 122.62 of 7845  
the Revised Code, may be secured by a trust agreement between 7846  
the treasurer of state and a corporate trustee, which trustee 7847  
may be any trust company or bank having the powers of a trust 7848  
company within or without the state. 7849

Any such trust agreement may pledge or assign payments of 7850  
principal of and interest on loans, charges, fees, and other 7851  
revenue to be received by the director of housing and 7852  
~~development-services~~, all rentals received under leases made by 7853  
the director, and all proceeds of the sale or other disposition 7854  
of property held by the director, and may provide for the 7855  
holding in trust by the trustee to the extent provided for in 7856  
the proceedings authorizing such bonds, of all such moneys and 7857  
moneys otherwise payable into the mortgage guarantee fund 7858  
created by section 122.56 of the Revised Code, and all moneys 7859  
otherwise payable into the mortgage insurance fund created by 7860  
section 122.561 of the Revised Code, and of moneys payable into 7861  
the sinking fund or funds referred to in section 122.57 of the 7862  
Revised Code, but shall not convey or mortgage any of the real 7863  
or personal property held by the director or any part thereof. 7864  
Any such trust agreement, or any proceedings providing for the 7865  
issuance of such bonds, may contain such provisions for 7866  
protecting and enforcing the rights and remedies of the 7867  
bondholders as are reasonable and proper and not in violation of 7868  
law, including covenants setting forth the duties of the 7869  
director in relation to the acquisition of property, and the 7870  
construction, improvement, maintenance, repair, operation, and 7871

insurance of facilities, the making of loans and leases and the 7872  
terms and provisions thereof, and the custody, safeguarding, 7873  
investment, and application of all moneys, and provisions for 7874  
the employment of consulting engineers or other consultants in 7875  
connection with the making of loans and leases and the 7876  
construction or operation of any facility. Any bank or trust 7877  
company incorporated under the laws of this state which may act 7878  
as trustee or as depository of the proceeds of bonds or of 7879  
revenue may furnish such indemnifying bonds or may pledge such 7880  
securities as are required by the treasurer of state. Any such 7881  
trust agreement may set forth the rights and remedies of the 7882  
bondholders and of the trustee, and may restrict the individual 7883  
right of action by bondholders as is customary in trust 7884  
agreements or trust indentures securing bonds or debentures of 7885  
corporations. Such trust agreement may contain such other 7886  
provisions as the treasurer of state deems reasonable and proper 7887  
for the security of the bondholders. All expenses incurred by 7888  
the treasurer of state in carrying out the provisions of any 7889  
such trust agreement shall be treated as a part of the cost of 7890  
the operation of the assistance programs authorized pursuant to 7891  
Chapter 122. of the Revised Code. Any such trust agreement may 7892  
provide the method whereby general administrative overhead 7893  
expense of the director with respect to those assistance 7894  
programs shall be allocated among the funds established pursuant 7895  
to Chapter 122. of the Revised Code with respect to the 7896  
operating expenses of the director payable out of the income of 7897  
the assistance programs. 7898

**Sec. 122.54.** The direct loan program fund is hereby 7899  
created within the state treasury, to consist of money 7900  
appropriated for the purpose of making loans authorized under 7901  
sections 122.43 and 122.45 of the Revised Code, money from the 7902

proceeds of the sale of any issue of its revenue bonds to the 7903  
extent and subject to the conditions provided in the proceedings 7904  
authorizing such bonds or in the trust agreement securing such 7905  
bonds, all grants, gifts, and contributions made to the director 7906  
of housing and development for such purpose, and all other 7907  
moneys designated by ~~him~~ the director for the purpose of making 7908  
loans or required to be used for such purpose by the provisions 7909  
of any proceedings authorizing an issue of revenue bonds or 7910  
trust agreement securing such bonds. All moneys received from 7911  
repayments of loans authorized pursuant to sections 122.43 and 7912  
122.45 of the Revised Code or received in the event of a default 7913  
on any such loans shall be deposited in the general revenue 7914  
fund. 7915

**Sec. 122.55.** The purchase fund of the director of housing 7916  
and development is hereby created to consist of all money 7917  
allocated by the director for the purchase and improvement of 7918  
property authorized to be purchased under section 122.46 of the 7919  
Revised Code from the proceeds of the sale of any issue of 7920  
revenue bonds to the extent and subject to the conditions 7921  
provided in the proceedings authorizing such bonds or in the 7922  
trust agreements securing such bonds, all grants, gifts, and 7923  
contributions made to the director for such purpose, and all 7924  
other moneys designated by ~~him~~ the director for the purpose of 7925  
the acquisition and improvement of property. 7926

**Sec. 122.56.** The mortgage guarantee fund of the director 7927  
of housing and development is hereby created to consist of all 7928  
grants, gifts, and contributions of moneys or rights to moneys 7929  
made to the director for such fund, all moneys and rights to 7930  
moneys lawfully designated for or deposited in such fund, all 7931  
guarantee fees charged and collected as provided in this 7932  
section, and all moneys and rights to moneys lawfully allocated 7933



by the director to such fund from the proceeds of the sale of 7934  
any issue of revenue bonds. Moneys or rights to ~~money~~ moneys 7935  
shall be used for the guaranty of the payment of the loans made 7936  
under sections 122.43 and 122.45 of the Revised Code, or for the 7937  
guaranty of the payment of the rentals payable under the lease 7938  
made under the authority of section 122.46 of the Revised Code, 7939  
or for the guaranty of the payment of rentals payable under a 7940  
lease made under authority of section 165.02 of the Revised 7941  
Code, or of rentals payable under a lease made under authority 7942  
of section 761.02 of the Revised Code, or a sublease made 7943  
pursuant to such lease, to the extent and subject to the 7944  
conditions provided in the proceedings authorizing such guaranty 7945  
or the proceedings authorizing such bonds or in the trust 7946  
agreement securing such bonds. The director shall fix charges 7947  
for the guaranty of payment of the loans made under sections 7948  
122.43 and 122.45 of the Revised Code and for the guaranty of 7949  
the payment of the rentals payable under the leases made by the 7950  
authority under section 122.46 of the Revised Code. Such charges 7951  
shall be payable at such times and place and in such manner as 7952  
may be prescribed by the director. In the event that the 7953  
principal obligation of any loan is paid in full prior to the 7954  
maturity date or in the event that purchase option of any lease 7955  
is exercised prior to the end of the term thereof, the director 7956  
may require the payment of an adjusted charge in such amount as 7957  
~~he~~ the director determines to be equitable, and may refund from 7958  
the mortgage guarantee fund such portion of charges theretofore 7959  
paid as the director determines to be equal to the unearned 7960  
portion thereof. 7961

**Sec. 122.561.** The mortgage insurance fund of the director 7962  
of housing and development services ~~services~~ is hereby created to consist 7963  
of all money allocated by the director from the proceeds of the 7964

sale of any issue of revenue bonds, to the extent and subject to 7965  
the conditions provided in the proceedings authorizing such 7966  
bonds or in the trust agreements securing such bonds, for the 7967  
purpose of insuring mortgage payments pursuant to section 7968  
122.451 of the Revised Code, all grants and contributions made 7969  
to the director for such purpose, all moneys deposited or 7970  
credited to the mortgage insurance fund pursuant to section 7971  
169.05 of the Revised Code, all other moneys and property 7972  
designated by the director and by law for such purpose, all 7973  
mortgage insurance premiums charged and collected as provided in 7974  
this section, and all receipts and proceeds from the sale, 7975  
disposal, lease, or rental of real or personal property which 7976  
the director may hold as a result of a default in an insured 7977  
mortgage. The director shall fix mortgage insurance premiums for 7978  
the insurance of mortgage payments pursuant to section 122.451 7979  
of the Revised Code, to be computed as a percentage of the 7980  
principal obligation of the mortgage outstanding at the 7981  
beginning of each mortgage year. Such insurance premiums shall 7982  
not be more than three per cent per annum of the outstanding 7983  
principal obligation, and shall be calculated on the basis of 7984  
all pertinent available data. Such premiums shall be payable by 7985  
the mortgagors or the mortgagees in such manner as is prescribed 7986  
by the director. The amount of premium need not be uniform among 7987  
the various mortgages insured. The director may provide for the 7988  
custody, investment, and use of the unclaimed funds trust fund 7989  
created by section 169.05 of the Revised Code and all mortgage 7990  
insurance premiums, including the payment therefrom of the 7991  
expenses and costs of the director in insuring mortgage payments 7992  
pursuant to section 122.451 of the Revised Code. Any financial 7993  
statements or financial data submitted to the director or the 7994  
controlling board in connection with any application for the 7995  
insurance of mortgage payments, or any information taken from 7996

such statements or data, is not open to public inspection. 7997

**Sec. 122.57.** All payments of principal of and interest on 7998  
the loans made by the director of housing and development 7999  
~~services~~, all rentals received under leases made by the 8000  
director, and all proceeds of the sale or other disposition of 8001  
property held by the director shall be placed in separate 8002  
sinking funds to the extent provided in the proceedings 8003  
authorizing revenue bonds which are hereby pledged to and 8004  
charged with the payment of interest on, principal of and 8005  
redemption premium on, the revenue bonds issued pursuant to 8006  
sections 122.39 and 122.41 to 122.62 of the Revised Code to the 8007  
extent provided in the proceedings authorizing and the trust 8008  
agreements securing such bonds. The moneys therein in excess of 8009  
the amounts required by the bond proceedings and trust 8010  
agreements and all payments not so required to be paid into such 8011  
sinking funds shall be retained or placed in such fund or in the 8012  
other funds provided for by sections 122.35, 122.42, 122.54, 8013  
~~122.42~~, 122.55, 122.56, 122.561, and 122.57 of the Revised Code 8014  
as the director shall determine, and shall be available for the 8015  
uses for which such funds are established. 8016

**Sec. 122.571.** In addition to the separate sinking funds 8017  
created under section 122.57 of the Revised Code, there is 8018  
hereby created the revenue bond guaranty fund to consist of all 8019  
money allocated by the director of housing and development to 8020  
guarantee payment of interest on, principal of and redemption 8021  
premium on, the revenue bonds issued by the director under 8022  
Chapter 122. of the Revised Code, all grants, gifts, and 8023  
contributions made to the director for such purpose, and all 8024  
money and property provided by law for such purpose. 8025

**Sec. 122.58.** Moneys in the funds established pursuant to 8026

Chapter 122. of the Revised Code, except as otherwise provided 8027  
in any proceedings authorizing revenue bonds or in any trust 8028  
agreement securing such bonds, in excess of current needs, may 8029  
be invested in notes, bonds, or other obligations which are 8030  
direct obligations of or are guaranteed by the United States, in 8031  
certificates of deposit or other withdrawable accounts of banks, 8032  
trust companies, and building and loan or savings and loan 8033  
associations organized under the laws of the state or the United 8034  
States, or in the manner provided in any agreement entered into 8035  
pursuant to section 169.05 of the Revised Code. 8036

Income from all such investments of moneys in any fund 8037  
shall be credited to such funds as the director of housing and 8038  
development determines subject to the provisions of any bond 8039  
issuance proceedings or trust agreement, and such investments 8040  
may be sold at such time as the director shall determine, 8041  
provided certificates of deposit or other withdrawable accounts 8042  
may be sold only in accordance with division (B) of section 8043  
169.05 or divisions (E) and (F) of section 169.08 of the Revised 8044  
Code. 8045

**Sec. 122.59.** In the event of a default with respect to any 8046  
loan or lease, the director of housing and development shall 8047  
take such action as ~~he~~the director deems proper in the 8048  
circumstances to enforce and protect the rights of the director, 8049  
and such action as may be required by the provisions of any 8050  
proceedings authorizing the revenue bonds or of any trust 8051  
agreement securing such bonds, which may include any appropriate 8052  
action at law or in equity, enforcement or waiver of any 8053  
provision of any mortgage or security agreement or lease, or 8054  
reinstatement of any forfeited or cancelled right, title, or 8055  
privilege. Notwithstanding any such action, the director shall 8056  
transfer from the mortgage guarantee fund created by section 8057

122.56 of the Revised Code to the sinking fund or funds referred 8058  
to in section 122.57 of the Revised Code amounts not greater 8059  
than the amounts which would have been paid upon such loan or 8060  
under such lease but for such default, at the time or times when 8061  
such amounts would have been paid but for such defaults, to the 8062  
extent provided in the proceedings authorizing and the trust 8063  
agreements securing such bonds, to be held and applied as other 8064  
moneys in the sinking fund, and shall make such other transfers 8065  
and take such other action as shall be required of the director 8066  
by any such bond issuance proceedings or trust agreement. 8067

**Sec. 122.60.** As used in sections 122.60 to 122.605 of the 8068  
Revised Code: 8069

(A) "Capital access loan" means a loan made by a 8070  
participating financial institution to an eligible business that 8071  
may be secured by a deposit of money from the fund into the 8072  
participating financial institution's program reserve account. 8073

(B) "Eligible business" means a for-profit business 8074  
entity, or a nonprofit entity, that had total annual sales in 8075  
its most recently completed fiscal year of less than ten million 8076  
dollars and that has a principal place of for-profit business or 8077  
nonprofit entity activity within the state, the operation of 8078  
which, alone or in conjunction with other facilities, will 8079  
create new jobs or preserve existing jobs and employment 8080  
opportunities and will improve the economic welfare of the 8081  
people of the state. As used in this division, "new jobs" does 8082  
not include existing jobs transferred from another facility 8083  
within the state, and "existing jobs" means only existing jobs 8084  
at facilities within the same municipal corporation or township 8085  
in which the project, activity, or enterprise that is the 8086  
subject of a capital access loan is located. 8087

(C) "Financial institution" means any bank, trust company, 8088  
savings bank, or savings and loan association that is chartered 8089  
by and has a significant presence in the state, or any national 8090  
bank, federal savings and loan association, or federal savings 8091  
bank that has a significant presence in the state. 8092

(D) "Fund" means the capital access loan program fund. 8093

(E) "Minority business supplier development council" has 8094  
the same meaning as in section 122.71 of the Revised Code. 8095

(F) "Participating financial institution" means a 8096  
financial institution that has a valid, current participation 8097  
agreement with the department of housing and development. 8098

(G) "Participation agreement" means the agreement between 8099  
a financial institution and the department under which a 8100  
financial institution may participate in the program. 8101

(H) "Passive real estate ownership" means the ownership of 8102  
real estate for the sole purpose of deriving income from it by 8103  
speculation, trade, or rental. 8104

(I) "Program" means the capital access loan program 8105  
created under section 122.602 of the Revised Code. 8106

(J) "Program reserve account" means a dedicated account at 8107  
each participating financial institution that is the property of 8108  
the state and may be used by the participating financial 8109  
institution only for the purpose of recovering a claim under 8110  
section 122.604 of the Revised Code arising from a default on a 8111  
loan made by the participating financial institution under the 8112  
program. 8113

**Sec. 122.601.** There is hereby created in the state 8114  
treasury the capital access loan program fund. The fund shall 8115

consist of money deposited into it from the minority business 8116  
enterprise loan fund pursuant to section 122.80 of the Revised 8117  
Code and the facilities establishment fund pursuant to section 8118  
166.03 of the Revised Code and all money deposited into it 8119  
pursuant to section 122.602 of the Revised Code. The total 8120  
amount of money deposited into the fund from the minority 8121  
business enterprise loan fund or the facilities establishment 8122  
fund shall not exceed three million dollars during any 8123  
particular fiscal year of the department of housing and 8124  
development. 8125

The department shall disburse money from the fund only to 8126  
pay the operating costs of the program, including the 8127  
administrative costs incurred by the department in connection 8128  
with the program, and only in keeping with the purposes 8129  
specified in sections 122.60 to 122.605 of the Revised Code. 8130

**Sec. 122.602.** (A) There is hereby created in the 8131  
department of housing and development the capital access loan 8132  
program to assist participating financial institutions in making 8133  
program loans to eligible businesses that face barriers in 8134  
accessing working capital and obtaining fixed asset financing. 8135  
In administering the program, the director of housing and 8136  
development may do any of the following: 8137

(1) Receive and accept grants, gifts, and contributions of 8138  
money, property, labor, and other things of value to be held, 8139  
used, and applied only for the purpose for which the grants, 8140  
gifts, and contributions are made, from individuals, private and 8141  
public corporations, the United States or any agency of the 8142  
United States, the state or any agency of the state, or any 8143  
political subdivision of the state; 8144

(2) Agree to repay any contribution of money or return any 8145

property contributed or the value of that property at the times, 8146  
in the amounts, and on the terms and conditions, excluding the 8147  
payment of interest, that the director consents to at the time a 8148  
contribution is made; and evidence obligations by notes, bonds, 8149  
or other written instruments; 8150

(3) Adopt rules under Chapter 119. of the Revised Code to 8151  
carry out the purposes of the program specified in sections 8152  
122.60 to 122.605 of the Revised Code; 8153

(4) Engage in all other acts, and enter into contracts and 8154  
execute all instruments, necessary or appropriate to carry out 8155  
the purposes specified in sections 122.60 to 122.605 of the 8156  
Revised Code. 8157

(B) The director shall determine the eligibility of a 8158  
financial institution to participate in the program and may set 8159  
a limit on the number of financial institutions that may 8160  
participate in the program. 8161

(C) To be considered eligible by the director to 8162  
participate in the program, a financial institution shall enter 8163  
into a participation agreement with the department that sets out 8164  
the terms and conditions under which the department will deposit 8165  
moneys from the fund into the financial institution's program 8166  
reserve account, specifies the criteria for loan qualification 8167  
under the program, and contains any additional terms the 8168  
director considers necessary. 8169

(D) After receiving the certification required under 8170  
division (C) of section 122.603 of the Revised Code, the 8171  
director may disburse moneys from the fund to a participating 8172  
financial institution for deposit in its program reserve account 8173  
if the director determines that the capital access loan involved 8174



meets all of the following criteria: 8175

(1) It will be made to an eligible business. 8176

(2) It will be used by the eligible business for a 8177  
project, activity, or enterprise that fosters economic 8178  
development. 8179

(3) It will not be made in order to enroll in the program 8180  
prior debt that is not covered under the program and that is 8181  
owed or was previously owed by an eligible business to the 8182  
financial institution. 8183

(4) It will not be utilized for a project or development 8184  
related to the on-site construction or purchase of residential 8185  
housing. 8186

(5) It will not be used to finance passive real estate 8187  
ownership. 8188

(6) It conforms to the requirements of divisions (E), (F), 8189  
(G), (H), and (I) of this section, and to the rules adopted by 8190  
the director under division (A) (3) of this section. 8191

(E) The director shall not approve a deposit amount from 8192  
the fund for a capital access loan to an eligible business that 8193  
exceeds two hundred fifty thousand dollars for working capital 8194  
or five hundred thousand dollars for the purchase of fixed 8195  
assets. An eligible business may apply for the maximum deposit 8196  
amount for both working capital and the purchase of fixed assets 8197  
in the same capital access loan enrollment. 8198

(F) A financial institution may apply to the director for 8199  
the approval of a capital access loan to any business that is 8200  
owned or operated by a person that has previously defaulted 8201  
under any state financial assistance program. 8202

(G) Eligible businesses that apply for a capital access 8203  
loan shall comply with section 9.66 of the Revised Code. 8204

(H) A financial institution may apply to the director for 8205  
the approval of a capital access loan that refinances a 8206  
nonprogram loan made by another financial institution. 8207

(I) The director shall not approve a capital access loan 8208  
that refinances a nonprogram loan made by the same financial 8209  
institution, unless the amount of the refinanced loan exceeds 8210  
the existing debt, in which case only the amount exceeding the 8211  
existing debt is eligible for a loan under the program. 8212

**Sec. 122.603.** (A) (1) Upon approval by the director of 8213  
housing and development and after entering into a participation 8214  
agreement with the department of housing and development a 8215  
participating financial institution making a capital access loan 8216  
shall establish a program reserve account. The account shall be 8217  
an interest-bearing account and shall contain only moneys 8218  
deposited into it under the program and the interest payable on 8219  
the moneys in the account. 8220

(2) All interest payable on the moneys in the program 8221  
reserve account shall be added to the moneys and held as an 8222  
additional loss reserve. The director may require that a portion 8223  
or all of the accrued interest so held in the account be 8224  
released to the department. If the director causes a release of 8225  
accrued interest, the director shall deposit the released amount 8226  
into the capital access loan program fund created in section 8227  
122.601 of the Revised Code. The director shall not require the 8228  
release of that accrued interest more than twice in a fiscal 8229  
year. 8230

(B) When a participating financial institution makes a 8231

capital access loan, it shall require the eligible business to 8232  
pay to the participating financial institution a fee in an 8233  
amount that is not less than one and one-half per cent, and not 8234  
more than three per cent, of the principal amount of the loan. 8235  
The participating financial institution shall deposit the fee 8236  
into its program reserve account, and it also shall deposit into 8237  
the account an amount of its own funds equal to the amount of 8238  
the fee. The participating financial institution may recover 8239  
from the eligible business all or part of the amount that the 8240  
participating financial institution is required to deposit into 8241  
the account under this division in any manner agreed to by the 8242  
participating financial institution and the eligible business. 8243

(C) For each capital access loan made by a participating 8244  
financial institution, the participating financial institution 8245  
shall certify to the director, within a period specified by the 8246  
director, that the participating financial institution has made 8247  
the loan. The certification shall include the amount of the 8248  
loan, the amount of the fee received from the eligible business, 8249  
the amount of its own funds that the participating financial 8250  
institution deposited into its program reserve account to 8251  
reflect that fee, and any other information specified by the 8252  
director. The certification also shall indicate if the eligible 8253  
business receiving the capital access loan is a minority 8254  
business enterprise as defined in section 122.71 of the Revised 8255  
Code or certified by the minority business supplier development 8256  
council. 8257

(D) (1) (a) Upon receipt of each of the first three 8258  
certifications from a participating financial institution made 8259  
under division (C) of this section and subject to section 8260  
122.602 of the Revised Code, the director shall disburse to the 8261  
participating financial institution from the capital access loan 8262

program fund an amount not to exceed fifty per cent of the 8263  
principal amount of the particular capital access loan for 8264  
deposit into the participating financial institution's program 8265  
reserve account. Thereafter, upon receipt of a certification 8266  
from that participating financial institution made under 8267  
division (C) of this section and subject to section 122.602 of 8268  
the Revised Code, the director shall disburse to the 8269  
participating financial institution from the capital access loan 8270  
program fund an amount equal to ten per cent of the principal 8271  
amount of the particular capital access loan for deposit into 8272  
the participating financial institution's program reserve 8273  
account. 8274

(b) Notwithstanding division (D) (1) (a) of this section, 8275  
and subject to section 122.602 of the Revised Code, upon receipt 8276  
of any certification from a participating financial institution 8277  
made under division (C) of this section with respect to a 8278  
capital access loan made to an eligible business that is a 8279  
minority business enterprise, the director shall disburse to the 8280  
participating financial institution from the capital access loan 8281  
program fund an amount not to exceed eighty per cent of the 8282  
principal amount of the particular capital access loan for 8283  
deposit into the participating financial institution's program 8284  
reserve account. 8285

(2) The disbursement of moneys from the fund to a 8286  
participating financial institution does not require approval 8287  
from the controlling board. 8288

(E) If the amount in a program reserve account exceeds an 8289  
amount equal to thirty-three per cent of a participating 8290  
financial institution's outstanding capital access loans, the 8291  
department may cause the withdrawal of the excess amount and the 8292

deposit of the withdrawn amount into the capital access loan 8293  
program fund. 8294

(F) (1) The department may cause the withdrawal of the 8295  
total amount in a participating financial institution's program 8296  
reserve account if any of the following applies: 8297

(a) The financial institution is no longer eligible to 8298  
participate in the program. 8299

(b) The participation agreement expires without renewal by 8300  
the department or the financial institution. 8301

(c) The financial institution has no outstanding capital 8302  
access loans. 8303

(d) The financial institution has not made a capital 8304  
access loan within the preceding twenty-four months. 8305

(2) If the department causes a withdrawal under division 8306  
(F) (1) of this section, the department shall deposit the 8307  
withdrawn amount into the capital access loan program fund. 8308

**Sec. 122.604.** (A) If a participating financial institution 8309  
determines that a portion or all of a capital access loan is 8310  
uncollectible, it may submit a claim to the department of 8311  
housing and development for approval of the release of moneys 8312  
from its program reserve account. 8313

(B) The claim may include the amount of principal plus 8314  
accrued interest owed. The amount of principal included in the 8315  
claim may not exceed the principal amount covered by the 8316  
program. The amount of accrued interest included in the claim 8317  
may not exceed the accrued interest attributable to the covered 8318  
principal amount. 8319

(C) The participating financial institution shall 8320

determine the timing and amount of delinquency on a capital 8321  
access loan in a manner consistent with the participating 8322  
financial institution's normal method for making these 8323  
determinations on similar nonprogram loans. 8324

(D) If the participating financial institution files two 8325  
or more claims at the same time or approximately the same time 8326  
and there are insufficient funds in its program reserve account 8327  
at that time to cover the entire amount of the claims, the 8328  
participating financial institution may specify an order of 8329  
priority in which the department shall approve the release of 8330  
funds from the account in relation to the claims. 8331

(E) If subsequent to the payment of a claim, a 8332  
participating financial institution recovers from an eligible 8333  
business any amount covered by the paid claim, the participating 8334  
financial institution shall promptly deposit the amount 8335  
recovered into its program reserve account, less any reasonable 8336  
expenses incurred. 8337

**Sec. 122.605.** Each participating financial institution 8338  
shall submit an annual report to the department of housing and 8339  
development on or before the thirty-first day of March of each 8340  
year. The report shall include or be accompanied by all of the 8341  
following: 8342

(A) Information regarding the participating financial 8343  
institution's outstanding capital access loans, its capital 8344  
access loan losses, and other related matters that the 8345  
department considers appropriate; 8346

(B) A statement of the total amount of the participating 8347  
financial institution's capital access loans for which the 8348  
department has made disbursements from the fund under the 8349

program; 8350

(C) A copy of the participating financial institution's 8351  
most recent financial statement. 8352

**Sec. 122.61.** The exercise of the powers granted by 8353  
sections 122.39 and 122.41 to 122.62 of the Revised Code, will 8354  
be in all respects for the benefit of the people of the state, 8355  
for the increase of their commerce and prosperity, and for the 8356  
improvement of conditions of employment, and will constitute the 8357  
performance of essential governmental functions; therefore the 8358  
director of housing and development services shall not be 8359  
required to pay any taxes upon any property or assets held by 8360  
the director, or upon any property acquired or used by the 8361  
director under sections 122.39 and 122.41 to 122.62 of the 8362  
Revised Code, or upon the income therefrom, provided, such 8363  
exemption shall not apply to any property held by the director 8364  
while it is in the possession of a private person, partnership, 8365  
or corporation and used for private purposes for profit. The 8366  
bonds, notes, or other obligations issued under such sections, 8367  
their transfer, and the income therefrom, including any profit 8368  
made on the sale thereof, shall at all times be free from 8369  
taxation within the state. 8370

**Sec. 122.62.** All moneys received under sections 122.39 and 8371  
122.41 to 122.62 of the Revised Code as proceeds from the sale 8372  
of bonds are trust funds. All moneys received under those 8373  
sections shall be held and applied solely as provided in such 8374  
sections and section 166.03 of the Revised Code. All such 8375  
moneys, except as otherwise provided in any proceedings 8376  
authorizing revenue bonds or in any trust agreement securing 8377  
such bonds or except when deposited with the treasurer of state, 8378  
or except as they may be invested pursuant to section 122.58 of 8379

the Revised Code, shall be kept in depositories as selected by 8380  
the director of housing and development services—in the manner 8381  
provided in sections 135.01 to 135.21 of the Revised Code, 8382  
insofar as such sections are applicable, and the deposits shall 8383  
be secured as provided in sections 135.01 to 135.21 of the 8384  
Revised Code. The proceedings authorizing the issuance of bonds 8385  
of any issue or the trust agreement securing such bonds shall 8386  
provide that any official to whom, or any bank or trust company 8387  
to which, such moneys are paid, shall act as trustee of such 8388  
moneys and hold and apply them for the purposes of sections 8389  
122.39 and 122.41 to 122.62 of the Revised Code, subject to such 8390  
rules as such sections and such bond issuance proceedings or 8391  
trust agreement provide. 8392

**Sec. 122.63.** The department of housing and development 8393  
shall: 8394

(A) Provide technical assistance to sponsors, homeowners, 8395  
private developers, contractors, and other appropriate persons 8396  
on matters relating to housing needs and the development, 8397  
construction, financing, operation, management, and evaluation 8398  
of housing developments; 8399

(B) Carry out continuing studies and analyses of the 8400  
housing needs of this state and, after conducting public 8401  
hearings, prepare annually a plan of housing needs, primarily 8402  
for the use of the department. The plan, copies of which shall 8403  
be filed with the speaker of the house of representatives and 8404  
the president of the senate for distribution to the members of 8405  
the general assembly, shall: 8406

(1) Establish areawide housing needs, including existing 8407  
and projected needs for the provision of an adequate supply of 8408  
decent, safe, and sanitary housing for low- and moderate-income 8409



persons, including housing that may require utilization of state 8410  
or federal assistance; 8411

(2) Establish priorities for housing needs, taking into 8412  
account the availability of and need for conserving land and 8413  
other natural resources; 8414

(3) Be coordinated with other housing and related planning 8415  
of the state and of regional planning agencies. 8416

(C) Carry out the provisions of Chapter 3735. of the 8417  
Revised Code relating to metropolitan housing authorities; 8418

(D) Carry out the provisions of sections 174.01 to 174.07 8419  
of the Revised Code relating to the low- and moderate-income 8420  
housing trust fund. 8421

**Sec. 122.631.** (A) As used in sections 122.631 to 122.633 8422  
of the Revised Code: 8423

(1) "Electing subdivision," "county land reutilization 8424  
corporation," and "land reutilization program" have the same 8425  
meanings as in section 5722.01 of the Revised Code. 8426

(2) "Manufactured home" has the same meaning as in section 8427  
3781.06 of the Revised Code, and "mobile home" has the same 8428  
meaning as in section 4501.01 of the Revised Code. 8429

(3) "Qualifying residential property" means ~~single-family-~~ 8430  
~~residential property, including a~~ a single unit of single-family 8431  
residential property that has at least eight hundred square feet 8432  
of habitable space and is either a stand-alone unit or in a 8433  
multi-unit property containing not more than ten single-family 8434  
residential units. "Qualifying residential property" excludes 8435  
mobile homes but includes both of the following: 8436

(a) A manufactured home; 8437

~~(b) A single unit in a multi-unit property containing not more than ten units but excluding manufactured homes, that has at least one thousand square feet of habitable space per unit that has other nonresidential units or uses. Such nonresidential units or uses are not qualifying residential property.~~ 8438  
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(4) "Qualifying median income" means ~~eighty-one hundred~~ twenty per cent of median income for the county where qualifying residential property is located, as determined by the director of housing and development pursuant to section 174.04 of the Revised Code. 8444  
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(5) "Qualifying financial literacy counseling" means a homeownership course with a curriculum that includes basic home maintenance training and financial literacy. 8449  
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(6) "Qualifying counseling provider" means an individual, business, nonprofit organization, or political subdivision, including an agency or instrumentality thereof, that is licensed, certified, or authorized to provide homeownership counseling and financial literacy as one of its primary functions, including housing counselors certified by the United States department of housing and urban development or the Ohio housing financing agency. 8452  
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(B) There is created in the department of housing and development the welcome home Ohio (WHO) program to administer the grants authorized by this section and section ~~163.632~~ 122.632 of the Revised Code and the tax credits authorized by section 122.633 of the Revised Code. The department shall create and maintain a list of qualifying residential property ~~to for~~ which the deed restriction a mortgage described in division (D) (4) of this section, division (B) (4) of section 122.632, or 8460  
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division (C) (4) of section 122.633 of the Revised Code ~~applies~~is 8468  
held. That list is not a public record for purposes of section 8469  
149.43 of the Revised Code. 8470

(C) An electing subdivision or county land reutilization 8471  
corporation may apply to the director of housing and development 8472  
for a grant from the welcome home Ohio fund, which is created in 8473  
the state treasury, to pay or defer the cost of purchasing 8474  
qualifying residential property for incorporation into the 8475  
electing subdivision's or county land reutilization 8476  
corporation's land reutilization program. Up to two thousand 8477  
dollars of each grant may be used to fund the qualifying 8478  
financial literacy counseling required under division (D) (6) of 8479  
this section. To the extent that funding is available in that 8480  
fund, the director may award grants to electing subdivisions and 8481  
county land reutilization corporations that make such an 8482  
application and agree to comply with division (D) of this 8483  
section. 8484

(D) The director of housing and development shall require 8485  
all applicants for a grant authorized by division (C) of this 8486  
section to agree, as part of the application, to all of the 8487  
following: 8488

(1) That grant funds shall only be used to pay the cost of 8489  
purchasing qualifying residential property; 8490

(2) That qualifying residential property on which grant 8491  
funds are spent shall be held until sold to an individual or 8492  
individuals who, inclusively: 8493

(a) Have annual income that is not more than the 8494  
qualifying median income; 8495

(b) Demonstrate the financial means to purchase the 8496

qualifying residential property; 8497

(c) Agree to maintain ownership of the qualifying 8498  
residential property, occupy it as a primary residence, and not 8499  
to rent any portion of the property to another individual for 8500  
use as a dwelling, for at least ~~five~~three years following the 8501  
date of purchase; 8502

(d) Agree not to sell the qualifying residential property, 8503  
within ~~twenty~~fifteen years after the date of the sale, to any 8504  
purchaser except an individual or individuals who have annual 8505  
income that is not more than the qualifying median income; 8506

(e) Agree to pay a penalty to the director of housing and 8507  
development for violation of the agreement required by division 8508  
(D) (2) (c) of this section that, ~~subject to divisions (F) (2) and~~ 8509  
~~(3) of this section,~~ equals ~~ninety thousand dollars~~the amount of 8510  
the grant attributable to the property, less ~~eighteen thousand~~ 8511  
~~dollars one-third of that amount~~ multiplied by the number of 8512  
full years the individual or individuals owned the property; 8513

(f) Agree that the director of housing and development is 8514  
a third-party beneficiary of the purchase agreement; 8515

(g) Agree to participate in the applicant's qualifying 8516  
financial literacy program; 8517

(h) Agree to ~~annually~~ certify to the director of housing 8518  
and development ~~or the director's designee,~~ upon the request of 8519  
the director anytime during the period described by division (D) 8520  
(2) (c) of this section, that the individual or individuals own 8521  
and occupy the qualifying residential property, and that no part 8522  
of the property is being rented to another individual for use as 8523  
a dwelling. 8524

(3) That qualifying residential property on which grant 8525

funds are spent shall be sold for not more than ~~one two~~ hundred  
~~eighty twenty~~ thousand dollars per property.

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(4) That qualifying residential property on which grant  
funds are spent shall not be sold without a ~~deed restriction~~  
~~prohibiting promissory note, secured by a mortgage, both~~  
executed by the purchaser in favor of the director of housing  
and development. The note shall require a payment to the  
director of housing and development upon the sale of the  
property to a person that is not an individual or individuals  
who have annual income that is not more than the qualifying  
median income for ~~twenty fifteen~~ years after the date of the  
property's first transfer from the applicant following the use  
of grant funds. The payment shall be the amount of the grant  
attributable to the property, less one-fifteenth of that amount  
multiplied by the number of full years the individual or  
individuals owned the property. The mortgage shall be  
subordinate to any mortgage securing a note executed by the  
purchaser to purchase the property. The director of housing and  
development may execute any documents necessary to recognize  
that subordination or wholly or partially forgive amounts due on  
a note executed pursuant to this division if doing so does not  
grant a purchaser an undue windfall or hinder the WHO program's  
objectives of increasing the supply of safe and affordable  
owner-occupied housing. The director shall allow a subsequent  
purchaser that is an individual or individuals who have annual  
income that is not more than the qualifying median income to  
assume liability on the note when purchasing the property.

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(5) That the applicant shall repay all grant funds not  
expended to purchase qualifying residential property or to fund  
the qualifying financial literacy counseling required by  
division (D)(6) of this section and all grant funds expended to

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purchase qualifying residential property that is not sold to an 8557  
individual or individuals who meet the requirements described in 8558  
division (D) (2) of this section or that is sold without the ~~deed-~~ 8559  
~~restriction-promissory note and mortgage~~ described in division 8560  
(D) (4) of this section. 8561

(6) That the applicant shall provide qualifying financial 8562  
literacy counseling, ~~over a minimum of one year, delivered by a~~ 8563  
qualifying counseling provider, to each purchaser of qualifying 8564  
residential property on which grant funds are spent. An 8565  
applicant may provide information regarding its qualifying 8566  
financial literacy program to the director of housing and 8567  
development for review as part of the application or prior to 8568  
application. ~~Financial-Qualifying financial~~ literacy counseling 8569  
provided by the applicant to the same purchaser, in accordance 8570  
with division (B) (6) of section 122.632 of the Revised Code or 8571  
division (C) (5) of section 122.633 of the Revised Code, 8572  
satisfies the requirements of division (D) (6) of this section. 8573

(7) That the applicant shall report to the department of 8574  
housing and development the date when the qualifying residential 8575  
property that is the subject of the application is sold by the 8576  
applicant. 8577

~~(E) The director of development has authority and standing-~~ 8578  
~~to sue for the enforcement of a deed restriction described in-~~ 8579  
~~division (D) (4) of this section.-~~ 8580

~~(F) (1)~~ An electing subdivision or county land 8581  
reutilization corporation may apply for, and the director of 8582  
housing and development may award both a grant under this 8583  
section for the purchase of qualifying residential property, and 8584  
either a grant under section 122.632 of the Revised Code, or a 8585  
tax credit under section 122.633 of the Revised Code, to 8586

rehabilitate or construct the same qualifying residential 8587  
property. 8588

~~(2) If an electing subdivision or county land 8589  
reutilization is awarded a grant under this section and a grant 8590  
under section 122.632 of the Revised Code for the same 8591  
qualifying residential property, and the individual or 8592  
individuals who purchase the property violate both of the 8593  
agreements required by division (D) (2) (c) of this section and 8594  
division (B) (2) (c) of section 122.632 of the Revised Code, only 8595  
the penalty described by division (B) (2) (c) of section 122.632 8596  
of the Revised Code applies. 8597~~

~~(3) If an electing subdivision or county land 8598  
reutilization is awarded a grant under this section and a tax 8599  
credit under section 122.633 of the Revised Code for the same 8600  
qualifying residential property, and the individual or 8601  
individuals who purchase the property violate both of the 8602  
agreements required by division (D) (2) (c) of this section and 8603  
division (C) (2) (a) of section 122.633 of the Revised Code, only 8604  
the greater of the penalties described in divisions (D) (2) (c) of 8605  
this section and division (C) (2) (c) of section 122.633 of the 8606  
Revised Code applies. 8607~~

~~(G) (1)~~ (F) (1) The director may adopt rules in accordance 8608  
with Chapter 119. Of the Revised Code as necessary to administer 8609  
the grant program. Such rules may include the following: 8610

(a) Application forms, deadlines, and procedures; 8611  
(b) Criteria for evaluating and prioritizing applications; 8612  
(c) Guidelines for promoting an even geographic 8613  
distribution of grants throughout the state; 8614

(d) Guidelines to determine the value of qualifying 8615

residential property located in a building with other uses and 8616  
the total value of that building. 8617

(2) Any grants repaid under this section shall be credited 8618  
to the welcome home Ohio fund. 8619

**Sec. 122.632.** (A) An electing subdivision or county land 8620  
reutilization corporation may apply to the director of housing 8621  
and development for a grant from the welcome home Ohio fund 8622  
created in section 122.631 of the Revised Code to pay or defer 8623  
the cost to rehabilitate or construct qualifying residential 8624  
property held by the electing subdivision's or county land 8625  
reutilization corporation's land reutilization program. To the 8626  
extent that funding is available, in that fund the director may 8627  
award grants to electing subdivisions and county land 8628  
reutilization corporations that make such an application and 8629  
agree to comply with division (B) of this section, with a 8630  
maximum grant of ~~thirty-ninety~~ thousand dollars per qualifying 8631  
residential property. 8632

(B) The director of housing and development shall require 8633  
all applicants for a grant authorized by division (A) of this 8634  
section to agree, as part of the application, to all of the 8635  
following: 8636

(1) That grant funds shall ~~only~~ be used to pay the cost of 8637  
rehabilitation or construction of qualifying residential 8638  
property and all work will be completed according to all 8639  
applicable construction and design standards~~+~~. Up to two 8640  
thousand dollars of each grant may be used to fund the 8641  
qualifying financial literacy counseling required under division 8642  
(B) (6) of this section. If grant funds are spent to construct or 8643  
rehabilitate a qualifying residential property described in 8644  
division (A) (3) (b) of section 122.631 of the Revised Code, then 8645



no portion of the funds shall be spent to construct or 8646  
rehabilitate portions of the building that are for 8647  
nonresidential uses, except for common areas used by the 8648  
residential units and improvements that serve both the 8649  
residential units and the other portions of the building. 8650

(2) That qualifying residential property on which grant 8651  
funds are spent shall be held until sold to an individual or 8652  
individuals who, inclusively: 8653

(a) Have annual income that is not more than the 8654  
qualifying median income; 8655

(b) Demonstrate the financial means to purchase the 8656  
qualifying residential property; 8657

(c) Agree to maintain ownership of the qualifying 8658  
residential property, occupy it as a primary residence, and not 8659  
to rent any portion of the property to another individual for 8660  
use as a dwelling, for at least ~~five~~three years following the 8661  
date of purchase; 8662

(d) Agree not to sell the qualifying residential property, 8663  
within ~~twenty-five~~ years after the date of the sale, to any 8664  
purchaser except an individual or individuals who have annual 8665  
income that is not more than the qualifying median income; 8666

(e) Agree to pay a penalty to the director of housing and 8667  
development for violation of the agreement required by division 8668  
(B) (2) (c) of this section that, ~~subject to division (F) (2) of~~ 8669  
~~section 122.631 of the Revised Code,~~ equals ~~ninety thousand~~ 8670  
~~dollars~~the amount of the grant attributable to the property, 8671  
less ~~eighteen thousand dollars~~ one-third of that amount 8672  
multiplied by the number of full years the individual or 8673  
individuals owned the property. 8674

(f) Agree that the director of housing and development is 8675  
a third-party beneficiary of the purchase agreement; 8676

(g) Agree to participate in the applicant's qualifying 8677  
financial literacy program; 8678

(h) Agree to ~~annually~~ certify to the director of housing 8679  
and development ~~or the director's designee, upon the request of~~ 8680  
the director anytime during the period described by division (B) 8681  
(2) (c) of this section, that the individual or individuals own 8682  
and occupy the qualifying residential property, and that no part 8683  
of the property is being rented to another individual for use as 8684  
a dwelling. 8685

(3) That qualifying residential property on which grant 8686  
funds are spent shall be sold for not more than ~~one~~ two hundred 8687  
~~eighty~~ twenty thousand dollars per property. 8688

(4) That qualifying residential property on which grant 8689  
funds are spent shall not be sold without a ~~deed restriction~~ 8690  
~~prohibiting promissory note, secured by a mortgage, both~~ 8691  
executed by the purchaser in favor of the director of housing 8692  
and development. The note shall require a payment to the 8693  
director of housing and development upon the sale of the 8694  
property to a person that is not an individual or individuals 8695  
who have annual income that is not more than the median income 8696  
for ~~twenty~~ fifteen years after the date of the property's first 8697  
transfer from the applicant following the use of grant funds~~r~~. 8698  
The payment shall be the amount of the grant attributable to the 8699  
property, less one-fifteenth of that amount multiplied by the 8700  
number of full years the individual or individuals owned the 8701  
property. The mortgage shall be subordinate to any mortgage 8702  
securing a note executed by the purchaser to purchase the 8703  
property. The director of housing and development may execute 8704

any documents necessary to recognize that subordination or 8705  
wholly or partially forgive amounts due on a note executed 8706  
pursuant to this division if doing so does not grant a purchaser 8707  
an undue windfall or hinder the WHO program's objectives of 8708  
increasing the supply of safe and affordable owner-occupied 8709  
housing. The director shall allow a subsequent purchaser that is 8710  
an individual or individuals who have annual income that is not 8711  
more than the qualifying median income to assume liability on 8712  
the note when purchasing the property. 8713

(5) That the applicant shall repay all grant funds 8714  
expended on any expenses other than the construction or 8715  
rehabilitation of qualifying residential property or financial 8716  
literacy counseling required under division (B) (6) of this 8717  
section, or on qualifying residential property that is not sold 8718  
to an individual or individuals who meet the requirements 8719  
described in division (B) (2) of this section or that is sold 8720  
without the ~~deed restriction promissory note and mortgage~~ 8721  
described in division (B) (4) of this section; 8722

(6) That the applicant shall provide financial qualifying 8723  
literacy counseling, ~~over a minimum of one year,~~ delivered by 8724  
the qualifying counseling provider, to each purchaser of 8725  
qualifying residential property on which grant funds are spent. 8726  
An applicant may provide information regarding its qualifying 8727  
financial literacy program to the director of housing and 8728  
development for review as part of the application or prior to 8729  
application; 8730

(7) That the applicant shall report to the department of 8731  
housing and development the date when the qualifying residential 8732  
property that is the subject of the application is sold by the 8733  
applicant. 8734

(8) That, if grant funds are received, the qualifying  
residential property that is the subject of the application  
shall not be the subject of an application for a tax credit  
under section 122.633 of the Revised Code.

~~(C) The director of development is granted authority and  
standing to sue for the enforcement of a deed restriction  
described in division (B) (4) of this section.~~

~~(D) (1) (C) (1)~~ The director may adopt rules in accordance  
with Chapter 119. of the Revised Code as necessary to administer  
the grant program. Such rules may include the following:

- (a) Application forms, deadlines, and procedures;
- (b) Criteria for evaluating and prioritizing applications;
- (c) Guidelines for promoting an even geographic  
distribution of grants throughout the state;

(d) Guidelines to determine the value of qualifying  
residential property located in a building with other uses and  
the total value of that building.

(2) Any grants repaid under this section shall be credited  
to the welcome home Ohio fund.

**Sec. 122.633.** (A) As used in this section, "eligible  
developer" means any of the following:

(1) A nonprofit corporation, as defined in section 1702.01  
of the Revised Code, based in this state with a primary activity  
of the development and preservation of affordable housing;

(2) A limited partnership or domestic limited partnership,  
as defined in section 1782.01 of the Revised Code, in which a  
general partner is a nonprofit corporation based in this state,

a primary activity of which is the development and preservation 8762  
of affordable housing; 8763

(3) A limited liability company, as defined in section 8764  
1706.01 of the Revised Code, in which the manager is a nonprofit 8765  
corporation based in this state, a primary activity of which is 8766  
the development and preservation of affordable housing; 8767

(4) A community improvement corporation, as defined in 8768  
section 1724.01 of the Revised Code, or a community urban 8769  
redevelopment corporation, as defined in section 1728.01 of the 8770  
Revised Code. 8771

(B) An electing subdivision or eligible developer that 8772  
rehabilitates or constructs a unit of qualifying residential 8773  
property and sells the property to an individual or individuals 8774  
for the individual's or individuals' occupancy may apply to the 8775  
director of housing and development for a nonrefundable credit 8776  
against the tax levied under section 5726.02 or 5747.02 of the 8777  
Revised Code, provided the rehabilitation or construction and 8778  
the sale comply with division (C) of this section. The credit 8779  
application shall be made on forms prescribed by the director. 8780  
The credit shall equal ninety thousand dollars or ~~one-third~~ 8781  
ninety per cent of the cost to rehabilitate or construct the 8782  
property, whichever is less. 8783

(C) An application for a credit authorized by division ~~(C)~~ 8784  
(B) of this section shall certify all of the following: 8785

(1) That the rehabilitation or construction of qualifying 8786  
residential property that is the subject of the application was 8787  
completed according to all applicable construction and design 8788  
standards; 8789

(2) That each qualifying residential property that is the 8790

subject of the application was sold to an individual or 8791  
individuals who have annual income that is not more than the 8792  
qualifying median income, demonstrated the financial means to 8793  
purchase the qualifying residential property, and agreed to all 8794  
of the following in the purchase agreement: 8795

(a) To maintain ownership of the qualifying residential 8796  
property, occupy it as a primary residence, and not to rent any 8797  
portion of the property to another individual for use as a 8798  
dwelling, for at least ~~five~~three years following the date of 8799  
purchase; 8800

(b) Not to sell the qualifying residential property to a 8801  
purchaser other than an individual or individuals who have 8802  
annual income that is no more than the qualifying median income 8803  
for at least ~~twenty~~fifteen years after the date of purchase; 8804

(c) To pay a penalty to the director of housing and 8805  
development for violation of the agreement required by division 8806  
(C) (2) (a) of this section that, ~~subject to division (F) (3) of~~ 8807  
~~section 122.631 of the Revised Code,~~ equals the total amount of 8808  
the tax credit authorized by this section and attributable to 8809  
the qualifying residential property purchased by the individual, 8810  
reduced by ~~twenty per cent~~one-third of that amount for each 8811  
full year the individual or individuals owned the property; 8812

(d) That the director of housing and development is a 8813  
third-party beneficiary of the purchase agreement; 8814

(e) To participate in the applicant's qualifying financial 8815  
literacy program; 8816

(f) Agree to ~~annually~~ certify to the director of housing 8817  
and development ~~or the director's designee,~~ upon the request of 8818  
the director anytime during the period described by division (C) 8819

(2) (a) of this section, that the individual or individuals own 8820  
and occupy the qualifying residential property, and that no part 8821  
of the property is being rented to another individual for use as 8822  
a dwelling. 8823

(3) That the qualifying residential property that is the 8824  
subject of the application was sold for not more than ~~one-two~~ 8825  
hundred ~~eighty-twenty~~ thousand dollars; 8826

(4) That the purchaser of the qualifying residential 8827  
property that is the subject of the application ~~was transferred~~ 8828  
~~with a deed restriction prohibiting~~ executed a promissory note, 8829  
conditional upon the award of a tax credit authorized by 8830  
division (B) of this section and secured by a mortgage to be 8831  
recorded only upon such award, in favor of the director of 8832  
housing and development. The note shall require a payment to the 8833  
director of housing and development upon the sale of the 8834  
property to a person other than an individual or individuals who 8835  
have annual income that is not more than the qualifying median 8836  
income for at least ~~twenty-fifteen~~ years after the date of 8837  
transfer. The payment shall be the amount of the tax credit 8838  
attributable to the property, less one-fifteenth of that amount 8839  
multiplied by the number of full years the individual or 8840  
individuals owned the property. The mortgage shall be 8841  
subordinate to any mortgage securing a note executed by the 8842  
purchaser to purchase the property. The director of housing and 8843  
development may execute any documents necessary to recognize 8844  
that subordination or wholly or partially forgive amounts due on 8845  
a note executed pursuant to this division if doing so does not 8846  
grant a purchaser an undue windfall or hinder the WHO program's 8847  
objectives of increasing the supply of safe and affordable 8848  
owner-occupied housing. The director shall allow a subsequent 8849  
purchaser that is an individual or individuals who have annual 8850

income that is not more than the qualifying median income to 8851  
assume liability on the note when purchasing the property. 8852

(5) That the applicant provides ~~a minimum of one year of~~ 8853  
qualifying financial literacy counseling, delivered by a 8854  
qualifying counseling provider, to each purchaser of qualifying 8855  
residential property that is the subject of the application. An 8856  
applicant may provide information regarding its qualifying 8857  
financial literacy program to the director of housing and 8858  
development for review as part of the application or prior to 8859  
application~~—~~. 8860

(6) That the applicant shall report to the department of 8861  
housing and development the date when the qualifying residential 8862  
property that is the subject of the application is sold by the 8863  
applicant. 8864

(7) That the qualifying residential property that is the 8865  
subject of the application was not rehabilitated or constructed 8866  
using grant funds received under section 122.632 of the Revised 8867  
Code. 8868

~~(D) The director of development is granted authority and~~ 8869  
~~standing to sue for the enforcement of a deed restriction~~ 8870  
~~described in division (C) (4) of this section.~~ 8871

~~(E) (1) (D) (1)~~ Subject to division ~~(E) (2) (D) (2)~~ of this 8872  
section, if the director determines that the applicant qualifies 8873  
for a credit under this section, the director shall issue a tax 8874  
credit certificate to the applicant identified with a unique 8875  
number and listing the amount of the credit that is eligible to 8876  
be transferred or claimed pursuant to division ~~(E) (3) (D) (3)~~ or 8877  
~~(F) (E)~~ of this section. 8878

(2) The total amount of tax credits issued by the director 8879



under this section shall not exceed twenty-five million dollars 8880  
in any fiscal year, and no tax credits shall be issued after 8881  
June 30, 2025. 8882

(3) A person granted a certificate pursuant to division 8883  
~~(E) (1)~~ (D) (1) of this section may claim the credit against the 8884  
tax levied under section 5726.02 of the Revised Code or against 8885  
the person's aggregate tax liability under section 5747.02 of 8886  
the Revised Code for the taxable year in which the certificate 8887  
is issued. The taxpayer shall claim the credit in the order 8888  
prescribed by section 5726.98 or 5747.98 of the Revised Code, as 8889  
applicable. Any unused amount may be carried forward for the 8890  
following five taxable years. If the person is a pass-through 8891  
entity, any taxpayer that is a direct or indirect investor in 8892  
the pass-through entity on the last day of the entity's taxable 8893  
year may claim the taxpayer's proportionate or distributive 8894  
share of the credit against the taxpayer's aggregate amount of 8895  
tax levied under section 5747.02 of the Revised Code. 8896

A taxpayer claiming a credit under this section shall 8897  
submit a copy of the certificate with the taxpayer's return or 8898  
report. 8899

~~(F)~~ (E) A person granted a certificate pursuant to 8900  
division ~~(E) (1)~~ (D) (1) of this section may transfer the right to 8901  
claim all or part of the credit reflected on the certificate to 8902  
another person. 8903

To effectuate the transfer, the transferor shall notify 8904  
the tax commissioner, in writing, that the transferor is 8905  
transferring the right to claim all or part of the remaining 8906  
credit stated on the certificate. The transferor shall identify 8907  
in that notification the certificate's number, the name and the 8908  
tax identification number of the transferee, the amount of the 8909

remaining credit transferred to the transferee, and, if 8910  
applicable, the amount of remaining credit retained by the 8911  
transferor. 8912

The transferee may claim the amount of the credit received 8913  
under this division against the tax levied under section 5726.02 8914  
of the Revised Code or against the person's aggregate tax 8915  
liability under section 5747.02 of the Revised Code for the 8916  
taxable year in the same manner and for the same taxable years 8917  
as it may be claimed by a person under division ~~(E) (3)~~ (D) (3) of 8918  
this section. 8919

Any person to which a credit has been transferred under 8920  
this division may transfer the right to claim all or part of the 8921  
transferred credit amount to any other person, in the same 8922  
manner prescribed by this division for the initial transfer, 8923  
including that any such transfer be reported by the transferor 8924  
to the tax commissioner as described in this division. 8925

Transferring a credit under this division does not extend 8926  
the taxable years for which the credit may be claimed or number 8927  
of years for which the unclaimed credit amount may be carried 8928  
forward. 8929

~~(G)~~ (F) The director may adopt rules in accordance with 8930  
Chapter 119. of the Revised Code as necessary to administer the 8931  
tax credits authorized by this section. Such rules may include 8932  
the following: 8933

- (1) Application forms, deadlines, and procedures; 8934
- (2) Criteria for evaluating and prioritizing applications; 8935
- (3) Guidelines for promoting an even geographic 8936  
distribution of credits throughout the state. 8937

Sec. 122.634. (A) For the purposes of this section, 8938  
"accessory dwelling unit" means a self-contained dwelling unit, 8939  
to which all of the following apply: 8940

(1) The unit is designed for occupancy by one family for 8941  
living and sleeping purposes; 8942

(2) The unit provides complete independent living 8943  
facilities, including its own entrance, kitchen, bathroom, and 8944  
sleeping area; 8945

(3) The unit is located on the same lot as a larger 8946  
single-family dwelling that serves as the principal use of the 8947  
lot; 8948

(4) The use of the unit is subordinate and incidental to 8949  
the larger single-family dwelling. 8950

(B) The department of housing and development shall 8951  
create, publish, and maintain the Ohio housing toolkit on the 8952  
department's publicly accessible web site. The toolkit shall 8953  
include resources to support local government officials and 8954  
housing stakeholders in navigating housing development and 8955  
community planning, including all of the following: 8956

(1) An interface that identifies and links to all local 8957  
comprehensive plans and zoning codes that apply to a particular 8958  
address entered by the user; 8959

(2) Expert guidance and best practices for navigating 8960  
local comprehensive plans and zoning codes, including project 8961  
checklists and templates for permit applications; 8962

(3) A standardized zoning code framework that may be used 8963  
by local governments as a model to streamline the zoning process 8964  
and facilitate the development of housing projects; 8965

(4) Information and guidance specific to alternative forms 8966  
of housing, such as accessory dwelling units, tiny homes, 8967  
modular housing, and manufactured housing, including a list of 8968  
political subdivisions in this state that allow alternative 8969  
forms of housing, by type, and links to local building, zoning, 8970  
and fire code provisions specific to alternative forms of 8971  
housing. 8972

(C) The department shall establish an administrative 8973  
support hotline to provide guidance, best practices, and 8974  
technical support for local governments in adopting, 8975  
implementing, and managing new or amended zoning codes. 8976

**Sec. 122.635.** (A) The department of housing and 8977  
development shall create, publish, and maintain the Ohio housing 8978  
dashboard on the department's publicly accessible web site. At 8979  
minimum, the dashboard shall include data for all of the 8980  
following: 8981

(1) Home prices; 8982

(2) Rental rates and rental vacancy rates; 8983

(3) Housing inventory levels; 8984

(4) Homeownership rates; 8985

(5) Foreclosure rates; 8986

(6) Population growth. 8987

(B) The department shall format the Ohio housing dashboard 8988  
in a manner that allows users to sort data based on location, 8989  
age, race and ethnicity, household size, employment status, and 8990  
household income. 8991

(C) The dashboard shall include a description of the data 8992

sources and methodology used to complete the dashboard. 8993

**Sec. 122.64.** (A) There is hereby established in the 8994  
department of housing and development ~~services agency~~ a business 8995  
services division. The division shall be supervised by a deputy 8996  
director appointed by the director of housing and development 8997  
~~services.~~ 8998

The division is responsible for the administration of the 8999  
state economic development financing programs established 9000  
pursuant to sections 122.17 and 122.18, sections 122.39 and 9001  
122.41 to 122.62, and Chapter 166. of the Revised Code. 9002

(B) The director of housing and development ~~services~~ 9003  
shall: 9004

(1) Receive applications for assistance pursuant to 9005  
sections 122.39 and 122.41 to 122.62 and Chapter 166. of the 9006  
Revised Code. The director shall process the applications. 9007

(2) With the approval of the director of administrative 9008  
services, establish salary schedules for employees of the 9009  
various positions of employment with the division and assign the 9010  
various positions to those salary schedules; 9011

(3) Employ and fix the compensation of financial 9012  
consultants, appraisers, consulting engineers, superintendents, 9013  
managers, construction and accounting experts, attorneys, and 9014  
other agents for the assistance programs authorized pursuant to 9015  
sections 122.17 and 122.18, sections 122.39 and 122.41 to 9016  
122.62, and Chapter 166. of the Revised Code as are necessary; 9017

(4) Supervise the administrative operations of the 9018  
division; 9019

(5) On or before the first day of October in each year, 9020

make an annual report of the activities and operations under 9021  
assistance programs authorized pursuant to sections 122.39 and 9022  
122.41 to 122.62 and Chapter 166. of the Revised Code for the 9023  
preceding fiscal year to the governor and the general assembly. 9024  
Each such report shall set forth a complete operating and 9025  
financial statement covering such activities and operations 9026  
during the year in accordance with generally accepted accounting 9027  
principles and shall be audited by a certified public 9028  
accountant. The director of housing and development services 9029  
shall transmit a copy of the audited financial report to the 9030  
office of budget and management. 9031

**Sec. 122.641.** (A) (1) There is hereby created the lakes in 9032  
economic distress revolving loan program to assist businesses 9033  
and other entities that are adversely affected due to economic 9034  
circumstances that result in the declaration of a lake as an 9035  
area under economic distress by the director of natural 9036  
resources under division (A) (2) of this section. The director of 9037  
housing and development services shall administer the program. 9038

(2) The director of natural resources shall do both of the 9039  
following: 9040

(a) Declare a lake as an area under economic distress. The 9041  
director shall declare a lake as an area under economic distress 9042  
based solely on environmental or safety issues, including the 9043  
closure of a dam for safety reasons. 9044

(b) Subsequently declare a lake as an area no longer under 9045  
economic distress when the environmental or safety issues, as 9046  
applicable, have been resolved. 9047

(B) There is hereby created in the state treasury the 9048  
lakes in economic distress revolving loan fund. The fund shall 9049

consist of money appropriated to it, all payments of principal 9050  
and interest on loans made from the fund, and all investment 9051  
earnings on money in the fund. The director of housing and 9052  
development ~~services~~ shall use money in the fund to make loans 9053  
under this section, provided that the loans shall be zero 9054  
interest loans during the time that an applicable lake has been 9055  
declared an area under economic distress under division (A) (2) 9056  
(a) of this section. 9057

(C) The director shall adopt rules in accordance with 9058  
Chapter 119. of the Revised that do both of the following: 9059

(1) Establish requirements and procedures for the making 9060  
of loans under this section, including all of the following: 9061

(a) Eligibility criteria; 9062

(b) Application procedures; 9063

(c) Criteria for approval or disapproval of loans, 9064  
including a stipulation that an applicant must demonstrate that 9065  
the loan will help to achieve long-term economic stability in 9066  
the area; 9067

(d) Criteria for repayment of the loans, including the 9068  
establishment of an interest rate that does not exceed two 9069  
points less than prime after an applicable lake has been 9070  
declared as an area no longer under economic distress under 9071  
division (A) (2) (b) of this section. 9072

The eligibility criteria established by the director shall 9073  
not require applicants to experience a reduction in gross 9074  
revenue for a defined period of greater than ten per cent. 9075

Any material provided to the department of housing and 9076  
development ~~services agency~~ by an applicant is not a public 9077

record for the purposes of section 149.43 of the Revised Code 9078  
and shall remain confidential. 9079

(2) Establish any other provisions necessary to administer 9080  
this section. 9081

(D) In administering the program, the director shall 9082  
assist businesses and other entities in determining the amount 9083  
of loans needed. 9084

**Sec. 122.6510.** (A) As used in this section, "federal act" 9085  
means the "Small Business Liability Relief and Brownfields 9086  
Revitalization Act," 115 Stat. 2356 (2002), 42 U.S.C. 9601 and 9087  
9604. 9088

(B) There is hereby created in the state treasury the 9089  
Brownfields Revolving Loan Fund. The Fund shall consist of all 9090  
moneys received by the state from repayments of loans made under 9091  
the terms of the federal act, and any other money transferred to 9092  
the Fund. The Fund may be used to make grants and loans by the 9093  
~~Director of Development Services~~director of housing and 9094  
development. All investment earnings of the Fund shall be 9095  
credited to the Fund. 9096

(C) The Director shall administer moneys received into the 9097  
Fund and comply with all requirements imposed by the federal act 9098  
in administering the funds. 9099

(D) The Director may establish a schedule of fees and 9100  
charges payable by loan recipients to the Director for the 9101  
administration of this section. 9102

**Sec. 122.6511.** (A) As used in this section and section 9103  
122.6512 of the Revised Code: 9104

(1) "Brownfield" means an abandoned, idled, or under-used 9105



industrial, commercial, or institutional property where 9106  
expansion or redevelopment is complicated by known or potential 9107  
releases of hazardous substances or petroleum. 9108

(2) "Lead entity" means the award recipient and the 9109  
responsible party with whom the department of housing and 9110  
development executes a grant agreement for the grant funds. 9111

(3) "Remediation" means any action to contain, remove, or 9112  
dispose of hazardous substances or petroleum at a brownfield. 9113  
"Cleanup or remediation" includes the acquisition of a 9114  
brownfield, demolition performed at a brownfield, and the 9115  
installation or upgrade of the minimum amount of infrastructure 9116  
that is necessary to make a brownfield operational for economic 9117  
development activity. 9118

(4) "County land reutilization corporation" has the same 9119  
meaning as in section 1724.01 of the Revised Code. 9120

(B) (1) There is hereby created the brownfield remediation 9121  
program to award grants for the remediation of brownfield sites 9122  
throughout Ohio. The program shall be administered by the 9123  
director of housing and development pursuant to this section and 9124  
rules adopted pursuant to division (B) (2) of this section. 9125

(2) The director shall adopt rules, under Chapter 119. of 9126  
the Revised Code, for the administration of the program. The 9127  
rules shall include provisions for determining project and 9128  
project sponsor eligibility, program administration, and any 9129  
other provisions the director finds necessary. 9130

(3) The director shall ensure that the program is 9131  
operational and accepting proposals for grants not later than 9132  
ninety days after September 30, 2021. 9133

(4) To streamline funding through the program, each county 9134

shall have one lead entity designated in accordance with the 9135  
following: 9136

(a) If the county has a population of less than one 9137  
hundred thousand according to the most recent federal decennial 9138  
census, the director shall select the lead entity from a list of 9139  
recommendations made by the board of county commissioners of the 9140  
county. The board shall submit a lead entity letter of intent 9141  
and any other documentation required by the director in order 9142  
for the director to select a lead entity for that county. 9143

(b) If the county has a population of one hundred thousand 9144  
or more according to the most recent federal decennial census 9145  
and the county does not have a county land reutilization 9146  
corporation, the director shall select the lead entity from a 9147  
list of recommendations made by the board of county 9148  
commissioners of the county. The board shall submit a lead 9149  
entity letter of intent and any other documentation required by 9150  
the director in order for the director to select a lead entity 9151  
for that county. 9152

(c) If the county has a population of one hundred thousand 9153  
or more according to the most recent federal decennial census 9154  
and the county has a county land reutilization corporation, the 9155  
county land reutilization corporation is the lead entity for 9156  
that county. 9157

(5) The lead entity of each county shall submit all grant 9158  
applications for that county. The lead entity shall submit with 9159  
a grant application any agreements executed between the lead 9160  
entity with other recipients that will receive grant money 9161  
through the lead entity, if applicable. Such recipients may 9162  
include local governments, nonprofit organizations, community 9163  
development corporations, regional planning commissions, county 9164

land reutilization corporations, and community action agencies. 9165

(C) (1) There is hereby created in the state treasury the 9166  
brownfield remediation fund. The fund shall consist of moneys 9167  
appropriated to it by the general assembly, and investment 9168  
earnings on moneys in the fund shall be credited to the fund. 9169

The director shall reserve funds from each appropriation 9170  
to the fund to each county in the state. The amount reserved 9171  
shall be one million dollars per county, or, if an appropriation 9172  
is less than eighty-eight million dollars, a proportionate 9173  
amount to each county. Amounts reserved pursuant to this section 9174  
are reserved for one calendar year from the date of the 9175  
appropriation. After one calendar year, the funds shall be 9176  
available pursuant to division (D) of this section. 9177

(2) A lead entity may submit an initial grant application 9178  
for the use of funds reserved under division (C) (1) of this 9179  
section to the director. The lead entity may later submit an 9180  
amended application to the director, and the director may accept 9181  
and approve that application for use of funds up to the amount 9182  
reserved for that county. 9183

(D) Funds from an appropriation not reserved under 9184  
division (C) (1) of this section shall be available for grants to 9185  
projects located anywhere in the state, and grants from those 9186  
funds shall be awarded to qualifying projects on a first-come, 9187  
first-served basis. Grants awarded pursuant to this division 9188  
shall be limited to seventy-five per cent of a project's total 9189  
cost. 9190

**Sec. 122.6512.** (A) (1) There is hereby created the building 9191  
demolition and site revitalization program to award grants for 9192  
the demolition of commercial and residential buildings and 9193

revitalization of surrounding properties on sites that are not 9194  
brownfields. The program shall be administered by the director 9195  
of housing and development pursuant to this section and rules 9196  
adopted pursuant to division (A) (2) of this section. 9197

(2) The director shall adopt rules, under Chapter 119. of 9198  
the Revised Code, for the administration of the program. The 9199  
rules shall include provisions for determining project and 9200  
project sponsor eligibility, program administration, and any 9201  
other provisions the director finds necessary. 9202

(3) The director shall ensure that the program is 9203  
operational and accepting proposals for grants not later than 9204  
ninety days after September 30, 2021. 9205

(4) To streamline funding through the program, each county 9206  
shall have one lead entity designated in accordance with the 9207  
following: 9208

(a) If the county has a population of less than one 9209  
hundred thousand according to the most recent federal decennial 9210  
census, the director shall select the lead entity from a list of 9211  
recommendations made by the board of county commissioners of the 9212  
county. The board shall submit a lead entity letter of intent 9213  
and any other documentation required by the director in order 9214  
for the director to select a lead entity for that county. 9215

(b) If the county has a population of one hundred thousand 9216  
or more according to the most recent federal decennial census 9217  
and the county does not have a county land reutilization 9218  
corporation, the director shall select the lead entity from a 9219  
list of recommendations made by the board of county 9220  
commissioners of the county. The board shall submit a lead 9221  
entity letter of intent and any other documentation required by 9222

the director in order for the director to select a lead entity 9223  
for that county. 9224

(c) If the county has a population of one hundred thousand 9225  
or more according to the most recent federal decennial census 9226  
and the county has a county land reutilization corporation, the 9227  
county land reutilization corporation is the lead entity for 9228  
that county. 9229

(5) The lead entity of each county shall submit all grant 9230  
applications for that county. The lead entity shall submit with 9231  
a grant application any agreements executed between the lead 9232  
entity with other recipients that will receive grant money 9233  
through the lead entity, if applicable. Such recipients may 9234  
include local governments, nonprofit organizations, community 9235  
development corporations, regional planning commissions, county 9236  
land reutilization corporations, and community action agencies. 9237

(B) (1) There is hereby created in the state treasury the 9238  
building demolition and site revitalization fund. The fund shall 9239  
consist of moneys appropriated to it by the general assembly, 9240  
and investment earnings on moneys in the fund shall be credited 9241  
to the fund. 9242

(2) The director shall reserve funds from each 9243  
appropriation to the fund to each county in the state. The 9244  
amount reserved shall be five hundred thousand dollars per 9245  
county, or, if an appropriation is less than forty-four million 9246  
dollars, a proportionate amount to each county. Amounts reserved 9247  
pursuant to this section are reserved for one calendar year from 9248  
the date of the appropriation. After one calendar year, the 9249  
funds shall be available pursuant to division (B) (3) of this 9250  
section. 9251

(3) Funds from an appropriation not reserved under 9252  
division (B) (2) of this section shall be available for grants to 9253  
projects located anywhere in the state, and grants from those 9254  
funds shall be awarded to qualifying projects on a first-come, 9255  
first-served basis. Grants awarded pursuant to this division 9256  
shall be limited to seventy-five per cent of a project's total 9257  
cost. 9258

**Sec. 122.67.** There is hereby created in the department of 9259  
housing and development ~~services agency~~ the community services 9260  
division. The director of housing and development ~~services~~ shall 9261  
employ and fix the compensation of professional and technical 9262  
unclassified personnel as necessary to carry out the provisions 9263  
of sections 122.66 to 122.701 of the Revised Code. 9264

**Sec. 122.68.** The community services division shall: 9265

(A) Administer all federal funds appropriated to the state 9266  
from the "Community Services Block Grant Act," 95 Stat. 511, 42 9267  
U.S.C.A. 9901, and comply with requirements imposed by that act 9268  
in its application for, and administration of, the funds; 9269

(B) Designate community action agencies to receive 9270  
community services block grant funds; 9271

(C) (1) Subject to division (C) (2) of this section, 9272  
disburse at least ninety-one per cent of the funds received in 9273  
the state from the "Community Services Block Grant Act" to 9274  
community action agencies that comply with the requirements of 9275  
section 122.69 of the Revised Code and migrant and seasonal farm 9276  
worker organizations that are not designated community action 9277  
agencies but which provide the services described in division 9278  
(B) (1) of section 122.69 of the Revised Code; 9279

(2) Disburse at least four and one-half per cent of the 9280

funds received in the state from the "Community Services Block Grant Act" to one or more nonprofit organizations to which both of the following apply:

(a) The organization or organizations were incorporated under the laws of this state before January 1, 2015.

(b) The primary purpose of the organization or organizations is to provide training and technical assistance to community action agencies that comply with the requirements of section 122.69 of the Revised Code.

(D) Provide technical assistance to community action agencies to improve program planning, development, and administration;

(E) Conduct yearly performance assessments, according to criteria determined by department of housing and development ~~services agency~~ rule, to determine whether community action agencies are in compliance with section 122.69 of the Revised Code;

(F) Annually prepare and submit to the United States secretary of health and human services, the governor, the president of the Ohio senate, and the speaker of the Ohio house of representatives, a comprehensive report that includes:

(1) Certification that all community action agencies designated to receive funds from the "Community Services Block Grant Act" are in compliance with section 122.69 of the Revised Code;

(2) A program plan for the next federal fiscal year that has been made available for public inspection and that details how community services block grant funds will be disbursed and used during that fiscal year;

(3) Information detailing how funds were expended for the 9310  
current fiscal year; 9311

(4) An audit of community services block grant 9312  
expenditures for the preceding federal fiscal year that is 9313  
conducted in accordance with generally accepted accounting 9314  
principles by an independent auditing firm that has no 9315  
connection with any community action agency receiving community 9316  
services block grant funds or with any employee of the division. 9317

(G) Serve as a statewide advocate for social and economic 9318  
opportunities for low-income persons. 9319

**Sec. 122.681.** (A) Except as permitted by this section, or 9320  
when required by federal law, no person or government entity 9321  
shall solicit, release, disclose, receive, use, or knowingly 9322  
permit or participate in the use of any information regarding an 9323  
individual receiving assistance pursuant to a community services 9324  
division program under sections 122.66 to 122.702 of the Revised 9325  
Code for any purpose not directly related to the administration 9326  
of a division assistance program. 9327

(B) To the extent permitted by federal law, the division, 9328  
and any entity that receives division funds to administer a 9329  
division program to assist individuals, shall release 9330  
information regarding an individual assistance recipient to the 9331  
following: 9332

(1) A government entity responsible for administering the 9333  
assistance program for purposes directly related to the 9334  
administration of the program; 9335

(2) A law enforcement agency for the purpose of any 9336  
investigation, prosecution, or criminal or civil proceeding 9337  
relating to the administration of the assistance program; 9338



(3) A government entity responsible for administering a 9339  
children's protective services program, for the purpose of 9340  
protecting children; 9341

(4) Any appropriate person in compliance with a search 9342  
warrant, subpoena, or other court order. 9343

(C) To the extent permitted by federal law and section 9344  
1347.08 of the Revised Code, the division, and any entity 9345  
administering a division program, shall provide access to 9346  
information regarding an individual assistance recipient to all 9347  
of the following: 9348

(1) The individual assistance recipient; 9349

(2) The authorized representative of the individual 9350  
assistance recipient; 9351

(3) The legal guardian of the individual assistance 9352  
recipient; 9353

(4) The attorney of the individual assistance recipient. 9354

(D) To the extent permitted by federal law, the division, 9355  
and any entity administering a division program, may do either 9356  
of the following: 9357

(1) Release information about an individual assistance 9358  
recipient if the recipient gives voluntary, written 9359  
authorization; 9360

(2) Release information regarding an individual assistance 9361  
recipient to a state, federal, or federally assisted program 9362  
that provides cash or in-kind assistance or services directly to 9363  
individuals based on need. 9364

(E) The community services division, or an entity 9365

administering a division program, shall provide, at no cost, a 9366  
copy of each written authorization to the individual who signed 9367  
it. 9368

(F) The ~~department of housing and development services~~ 9369  
~~agency~~ may adopt rules defining who may serve as an individual 9370  
assistance recipient's authorized representative for purposes of 9371  
division (C) (2) of this section. 9372

**Sec. 122.69.** (A) Any nonprofit agency or organization 9373  
seeking designation as a community action agency by the 9374  
community services division shall obtain the endorsement of the 9375  
chief elected officials of at least two-thirds of the municipal 9376  
corporations and the counties within the community to be served 9377  
by the agency or organization. 9378

(B) Any nonprofit agency or organization that receives the 9379  
endorsement provided for in division (A) of this section shall 9380  
be designated by the division as the community action agency for 9381  
the community it serves and shall receive community services 9382  
block grant funds for any period of time that the nonprofit 9383  
agency or organization: 9384

(1) Provides a range of services and opportunities having 9385  
a measurable and potentially major impact on the causes of 9386  
poverty in the community or those areas of the community where 9387  
poverty is a particularly acute problem. These activities may 9388  
include but shall not be limited to: 9389

(a) Providing activities designed to assist low-income 9390  
persons, including low-income persons who are elderly and who 9391  
have disabilities, to: 9392

(i) Secure and maintain meaningful employment, training, 9393  
work experience, and unsubsidized employment; 9394

|   |                              |
|---|------------------------------|
| (ii) Attain an adequate education;  | 9395                         |
| (iii) Make better use of available income;  | 9396                         |
| (iv) Obtain and maintain adequate housing and a suitable<br>living environment;   | 9397<br>9398                 |
| (v) Obtain emergency assistance through loans or grants to<br>meet immediate and urgent individual and family needs, including<br>the need for health services, nutritious food, housing, and<br>employment-related assistance;                     | 9399<br>9400<br>9401<br>9402 |
| (vi) Remove obstacles and solve personal and family<br>problems that block the achievement of self-sufficiency;   | 9403<br>9404                 |
| (vii) Achieve greater participation in the affairs of the<br>community;   | 9405<br>9406                 |
| (viii) Undertake family planning, consistent with personal<br>and family goals and religious and moral convictions;   | 9407<br>9408                 |
| (ix) Obtain energy assistance, conservation, and<br>weatherization services.  | 9409<br>9410                 |
| (b) Providing, on an emergency basis, supplies and<br>services, nutritious foodstuffs, and related services necessary<br>to counteract conditions of starvation and malnutrition among<br>low-income persons;                                       | 9411<br>9412<br>9413<br>9414 |
| (c) Coordinating and establishing links between government<br>and other social services programs to assure the effective<br>delivery of services to low-income individuals;   | 9415<br>9416<br>9417         |
| (d) Providing child care services, nutrition and health<br>services, transportation services, alcoholism and narcotic<br>addiction prevention and rehabilitation services, youth<br>development services, and community services to persons who are | 9418<br>9419<br>9420<br>9421 |

elderly and who have disabilities; 9422

(e) Encouraging entities in the private sector to 9423  
participate in efforts to ameliorate poverty in the community. 9424

(2) Annually submits to the division a program plan and 9425  
budget for use of community services block grant funds for the 9426  
next federal fiscal year. At least ten days prior to its 9427  
submission to the division, a copy of the program plan and 9428  
budget shall be made available to the chief elected officials of 9429  
the municipal corporations and counties within the service area 9430  
in order to provide them the opportunity to review and comment 9431  
upon such plan and budget. 9432

(3) Composes its board of directors in compliance with 9433  
section (c) (3) of section 675 of the "Community Services Block 9434  
Grant Act," 95 Stat. 1609, 42 U.S.C.A. 9904, except that the 9435  
board shall consist of not less than fifteen nor more than 9436  
thirty-three members; 9437

(4) Complies with the prohibitions against discrimination 9438  
and political activity, as provided in the "Community Services 9439  
Block Grant Act"; 9440

(5) Complies with fiscal and program requirements 9441  
established by department of housing and development services— 9442  
agency rule. 9443

**Sec. 122.70.** The board of directors of a community action 9444  
agency shall: 9445

(A) Select, appoint, and may remove the executive director 9446  
of the community action agency; 9447

(B) Approve contracts, annual program budgets, and 9448  
policies of the community action agency; 9449

(C) Advise the elected officials of any political 9450  
subdivision located within its service area, and state and 9451  
federal elected officials who represent its service area, of the 9452  
nature and extent of poverty within its community, and advise 9453  
them of any needed changes; 9454

(D) Convene public meetings to provide community members 9455  
the opportunity to comment on public policies and programs to 9456  
reduce poverty; 9457

(E) Annually evaluate the policies and programs of the 9458  
community action agency according to criteria determined by 9459  
department of housing and development ~~services agency~~ rule; 9460

(F) Submit the results of the evaluation required by 9461  
division (E) of this section, along with recommendations for 9462  
improved administration of the community action agency, to the 9463  
community services division; 9464

(G) Adopt a code of ethics for the board of directors and 9465  
the employees of the community action agency; 9466

(H) Adopt written policies describing all of the 9467  
following: 9468

(1) How the community action agency is to expend and 9469  
distribute the community services block grant funds that it 9470  
receives from the division under sections 122.68 and 122.69 of 9471  
the Revised Code; 9472

(2) The salary, benefits, travel expenses, and any other 9473  
compensation that persons are to receive for serving on the 9474  
community action agency's board of directors; 9475

(3) The operating procedures to be used by the board to 9476  
conduct its meetings, to vote on all official business it 9477

considers, and to provide notice of its meetings. 9478

(I) Provide for the posting of notices in a conspicuous 9479  
place indicating that the code of ethics described in division 9480  
(G) of this section and the policies described in division (H) 9481  
of this section are available for public inspection at the 9482  
community action agency during normal business hours. 9483

**Sec. 122.701.** (A) Prior to designating a new community 9484  
action agency or rescinding a community action agency's 9485  
designation, the community services division shall: 9486

(1) Determine whether a community action agency is in 9487  
compliance with section 122.69 of the Revised Code; 9488

(2) Consult with the chief elected officials of political 9489  
subdivisions located within a community action agency's service 9490  
area, and, in designating a new community action agency, obtain 9491  
their endorsement of the agency in accordance with division (A) 9492  
of section 122.69 of the Revised Code; 9493

(3) Hold at least one public meeting within a community 9494  
action agency's service area for the purpose of allowing 9495  
citizens to comment on the community action agency's delivery of 9496  
services; 9497

(4) Evaluate the proposed service area of the community 9498  
action agency, and, as may be necessary, modify the boundaries 9499  
of the service area so that low-income persons in the area are 9500  
adequately and efficiently served. 9501

(B) After providing notice and hearing pursuant to 9502  
sections 119.01 to 119.13 of the Revised Code, the director of 9503  
housing and development~~services~~: 9504

(1) May rescind the designation of a community action 9505

agency after finding that the agency is not in compliance with 9506  
any or all of the provisions of section 122.69 of the Revised 9507  
Code; 9508

(2) Shall rescind the designation of a community action 9509  
agency upon notification from the chief elected officials of 9510  
more than one-half of the municipal corporations and the 9511  
counties within a community currently served by a community 9512  
action agency that such agency is not endorsed by them and after 9513  
finding that the agency is not in compliance with section 122.69 9514  
of the Revised Code. 9515

Any agency whose designation is rescinded pursuant to this 9516  
section may appeal from an order rescinding such designation 9517  
pursuant to section 119.12 of the Revised Code. 9518

**Sec. 122.71.** As used in sections 122.71 to 122.83 of the 9519  
Revised Code: 9520

(A) "Financial institution" means any banking corporation, 9521  
trust company, insurance company, savings and loan association, 9522  
building and loan association, or corporation, partnership, 9523  
federal lending agency, foundation, or other institution engaged 9524  
in lending or investing funds for industrial or business 9525  
purposes. 9526

(B) "Project" means any real or personal property 9527  
connected with or being a part of an industrial, distribution, 9528  
commercial, or research facility to be acquired, constructed, 9529  
reconstructed, enlarged, improved, furnished, or equipped, or 9530  
any combination thereof, with the aid provided under sections 9531  
122.71 to 122.83 of the Revised Code, for industrial, 9532  
commercial, distribution, and research development of the state. 9533

(C) "Mortgage" means the lien imposed on a project by a 9534

mortgage on real property, or by financing statements on 9535  
personal property, or a combination of a mortgage and financing 9536  
statements when a project consists of both real and personal 9537  
property. 9538

(D) "Mortgagor" means the principal user of a project or 9539  
the person, corporation, partnership, or association 9540  
unconditionally guaranteeing performance by the principal user 9541  
of its obligations under the mortgage. 9542

(E)(1) "Minority business enterprise" means an individual 9543  
who is a United States citizen and owns and controls a business, 9544  
or a partnership, corporation, or joint venture of any kind that 9545  
is owned and controlled by United States citizens, which citizen 9546  
or citizens are residents of this state and are members of one 9547  
of the following economically disadvantaged groups: Blacks or 9548  
African Americans, American Indians, Hispanics or Latinos, and 9549  
Asians. 9550

(2) "Owned and controlled" means that at least fifty-one 9551  
per cent of the business, including corporate stock if a 9552  
corporation, is owned by persons who belong to one or more of 9553  
the groups set forth in division (E)(1) of this section, and 9554  
that those owners have control over the management and day-to- 9555  
day operations of the business and an interest in the capital, 9556  
assets, and profits and losses of the business proportionate to 9557  
their percentage of ownership. In order to qualify as a minority 9558  
business enterprise, a business shall have been owned and 9559  
controlled by those persons at least one year prior to being 9560  
awarded a contract pursuant to this section. 9561

(F) "Community improvement corporation" means a 9562  
corporation organized under Chapter 1724. of the Revised Code. 9563



(G) "Ohio development corporation" means a corporation 9564  
organized under Chapter 1726. of the Revised Code. 9565

(H) "Minority contractors business assistance 9566  
organization" means an entity engaged in the provision of 9567  
management and technical business assistance to minority 9568  
business enterprise entrepreneurs. 9569

(I) "Minority business supplier development council" means 9570  
a nonprofit organization established as an affiliate of the 9571  
national minority supplier development council. 9572

(J) "Regional economic development entity" means an entity 9573  
that is under contract with the director of housing and 9574  
development to administer a loan program under this chapter in a 9575  
particular area of the state. 9576

(K) "Community development corporation" means a 9577  
corporation organized under Chapter 1702. of the Revised Code 9578  
that consists of residents of the community and business and 9579  
civic leaders and that has as a principal purpose one or more of 9580  
the following: the revitalization and development of a low- to 9581  
moderate-income neighborhood or community; the creation of jobs 9582  
for low- to moderate-income residents; the development of 9583  
commercial facilities and services; providing training, 9584  
technical assistance, and financial assistance to small 9585  
businesses; and planning, developing, or managing low-income 9586  
housing or other community development activities. 9587

**Sec. 122.72.** (A) There is hereby created the minority 9588  
development financing advisory board to assist in carrying out 9589  
the programs created pursuant to sections 122.71 to 122.83 and 9590  
122.87 to 122.89 of the Revised Code. 9591

(B) The board shall consist of ten members. The director 9592

of housing and development or the director's designee shall be a 9593  
voting member on the board. Seven members shall be appointed by 9594  
the governor with the advice and consent of the senate and 9595  
selected because of their knowledge of and experience in 9596  
industrial, business, and commercial financing, suretyship, 9597  
construction, and their understanding of the problems of 9598  
minority business enterprises; one member also shall be a member 9599  
of the senate and appointed by the president of the senate, and 9600  
one member also shall be a member of the house of 9601  
representatives and appointed by the speaker of the house of 9602  
representatives. With respect to the board, all of the following 9603  
apply: 9604

(1) Not more than four of the members of the board 9605  
appointed by the governor shall be of the same political party. 9606

(2) Each member shall hold office from the date of the 9607  
member's appointment until the end of the term for which the 9608  
member was appointed. 9609

(3) The terms of office for the seven members appointed by 9610  
the governor shall be for seven years, commencing on the first 9611  
day of October and ending on the thirtieth day of September of 9612  
the seventh year, except that of the original seven members, 9613  
three shall be appointed for three years and two shall be 9614  
appointed for five years. 9615

(4) Any member of the board is eligible for reappointment. 9616

(5) Any member appointed to fill a vacancy occurring prior 9617  
to the expiration of the term for which the member's predecessor 9618  
was appointed shall hold office for the remainder of the 9619  
predecessor's term. 9620

(6) Any member shall continue in office subsequent to the 9621

expiration date of the member's term until the member's 9622  
successor takes office, or until a period of sixty days has 9623  
elapsed, whichever occurs first. 9624

(7) Before entering upon official duties as a member of 9625  
the board, each member shall take an oath as provided by Section 9626  
7 of Article XV, Ohio Constitution. 9627

(8) The governor may, at any time, remove any member 9628  
appointed by the governor pursuant to section 3.04 of the 9629  
Revised Code. 9630

(9) Notwithstanding section 101.26 of the Revised Code, 9631  
members shall receive their necessary and actual expenses while 9632  
engaged in the business of the board and shall be paid at the 9633  
per diem rate of step 1 of pay range 31 of section 124.15 of the 9634  
Revised Code. 9635

(10) Six members of the board constitute a quorum and the 9636  
affirmative vote of six members is necessary for any action 9637  
taken by the board. 9638

(11) In the event of the absence of a member appointed by 9639  
the president of the senate or by the speaker of the house of 9640  
representatives, either of the following persons may serve in 9641  
the member's absence: 9642

(a) The president of the senate or the speaker of the 9643  
house of representatives, whoever appointed the absent member; 9644

(b) A member of the senate or of the house of 9645  
representatives of the same political party as the absent 9646  
member, as designated by the president of the senate or the 9647  
speaker of the house of representatives, whoever appointed the 9648  
absent member. 9649

(12) The board shall annually elect one of its members as 9650  
chairperson and another as vice-chairperson. 9651

**Sec. 122.73.** (A) The minority development financing 9652  
advisory board and the director of housing and development are 9653  
invested with the powers and duties provided in sections 122.71 9654  
to 122.83 and 122.87 to 122.89 of the Revised Code, in order to 9655  
promote the welfare of the people of the state by encouraging 9656  
the establishment and expansion of minority business 9657  
enterprises; to stabilize the economy; to provide employment; to 9658  
assist in the development within the state of industrial, 9659  
commercial, distribution, and research activities required for 9660  
the people of the state, and for their gainful employment; or 9661  
otherwise to create or preserve jobs and employment 9662  
opportunities, or improve the economic welfare of the people of 9663  
the state. It is hereby determined that the accomplishment of 9664  
those purposes is essential so that the people of the state may 9665  
maintain their present high standards of living in comparison 9666  
with the people of other states and so that opportunities for 9667  
employment and for favorable markets for the products of the 9668  
state's natural resources, agriculture, and manufacturing shall 9669  
be improved. It further is determined that it is necessary for 9670  
the state to establish the programs authorized under sections 9671  
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code to 9672  
establish the minority development financing advisory board, and 9673  
to invest it and the director of housing and development with 9674  
the powers and duties provided in those sections. 9675

(B) The minority development financing advisory board 9676  
shall do all of the following: 9677

(1) Make recommendations to the director as to 9678  
applications for assistance pursuant to sections 122.71 to 9679

122.83 and 122.87 to 122.89 of the Revised Code. The board may 9680  
revise its recommendations to reflect any changes in the 9681  
proposed assistance made by the director. 9682

(2) Advise the director in the administration of sections 9683  
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code. 9684

(3) Adopt bylaws to govern the conduct of the business of 9685  
the board. 9686

**Sec. 122.74.** (A) (1) The director of housing and 9687  
development shall do all of the following: 9688

(a) Receive applications for assistance under sections 9689  
122.71 to 122.83 and 122.87 to 122.89 of the Revised Code and 9690  
applications from surety companies for bond guarantees under 9691  
section 122.90 of the Revised Code, and, after processing but 9692  
subject to division (A) (2) of this section, forward them to the 9693  
minority development financing advisory board together with 9694  
necessary supporting information; 9695

(b) Receive the recommendations of the board and make a 9696  
final determination whether to approve the application for 9697  
assistance; 9698

(c) Receive recommendations from a regional economic 9699  
development entity for loans made under section 122.76 of the 9700  
Revised Code and make a final determination, notwithstanding 9701  
divisions (A) (1) and (2) of this section, whether to approve the 9702  
proposed loan; 9703

(d) Transmit the director's determinations to approve 9704  
assistance to the controlling board unless such assistance falls 9705  
under section 122.90 of the Revised Code and has been previously 9706  
approved by the controlling board, together with any information 9707  
the controlling board requires for its review and decision as to 9708

whether to approve the assistance. 9709

(2) The director is not required to submit any 9710  
determination, data, terms, or any other application materials 9711  
or information to the minority development financing advisory 9712  
board when provision of the assistance has been recommended to 9713  
the director by a regional economic development entity or when 9714  
an application for a surety company for bond guarantees under 9715  
section 122.90 of the Revised Code has been previously approved 9716  
by the controlling board. 9717

(B) The director may do all of the following: 9718

(1) Fix the rate of interest and charges to be made upon 9719  
or with respect to moneys loaned or guaranteed by the director 9720  
and the terms upon which mortgages and lease rentals may be 9721  
guaranteed and the rates of charges to be made for them and make 9722  
provisions for the operation of the funds established by the 9723  
director in accordance with this section and sections 122.80, 9724  
122.88, and 122.90 of the Revised Code; 9725

(2) Loan and guarantee moneys from the fund established in 9726  
accordance with section 122.80 of the Revised Code pursuant to 9727  
and in compliance with sections 122.71 to 122.83 and 122.87 to 9728  
122.90 of the Revised Code. 9729

(3) Acquire in the name of the director any property of 9730  
any kind or character in accordance with sections 122.71 to 9731  
122.83 and 122.87 to 122.90 of the Revised Code, by purchase, 9732  
purchase at foreclosure, or exchange on such terms and in such 9733  
manner as the director considers proper; 9734

(4) Make and enter into all contracts and agreements 9735  
necessary or incidental to the performance of the director's 9736  
duties and the exercise of the director's powers under sections 9737

122.71 to 122.83 and 122.87 to 122.90 of the Revised Code; 9738

(5) Maintain, protect, repair, improve, and insure any 9739  
property that the director has acquired and dispose of it by 9740  
sale, exchange, or lease for the consideration and on the terms 9741  
and in the manner as the director considers proper, but the 9742  
director shall not operate any such property as a business 9743  
except as the lessor of it; 9744

(6) (a) When the cost of any contract for the maintenance, 9745  
protection, repair, or improvement of any property held by the 9746  
director, other than compensation for personal services, 9747  
involves an expenditure of more than fifty thousand dollars, the 9748  
director shall make a written contract with the lowest 9749  
responsive and responsible bidder in accordance with section 9750  
9.312 of the Revised Code after advertisement for not less than 9751  
two consecutive weeks in a newspaper of general circulation in 9752  
the county where such contract, or some substantial part of it, 9753  
is to be performed, and in such other publications as the 9754  
director determines, which notice shall state the general 9755  
character of the work and the general character of the materials 9756  
to be furnished, the place where plans and specifications 9757  
therefor may be examined, and the time and place of receiving 9758  
bids. 9759

(b) Each bid for a contract for the construction, 9760  
demolition, alteration, repair, or reconstruction of an 9761  
improvement shall contain the full name of every person 9762  
interested in it and meet the requirements of section 153.54 of 9763  
the Revised Code. 9764

(c) Each bid for a contract, except as provided in 9765  
division (B) (6) (b) of this section, shall contain the full name 9766  
of every person interested in it and shall be accompanied by 9767

bond or certified check on a solvent bank, in such amount as the 9768  
director considers sufficient, that if the bid is accepted a 9769  
contract will be entered into and the performance of the 9770  
proposal secured. 9771

(d) The director may reject any and all bids. 9772

(e) A bond with good and sufficient surety, approved by 9773  
the director, shall be required of every contractor awarded a 9774  
contract except as provided in division (B) (6) (b) of this 9775  
section, in an amount equal to at least fifty per cent of the 9776  
contract price, conditioned upon faithful performance of the 9777  
contract. 9778

(7) Employ or contract with financial consultants, 9779  
appraisers, consulting engineers, superintendents, managers, 9780  
construction and accounting experts, attorneys, and other 9781  
employees and agents as are necessary in the director's judgment 9782  
and fix their compensation; 9783

(8) Receive and accept grants, gifts, and contributions of 9784  
money, property, labor, and other things of value to be held, 9785  
used, and applied only for the purpose for which the grants, 9786  
gifts, and contributions are made, from individuals, private and 9787  
public corporations, from the United States or any agency 9788  
thereof, from the state or any agency thereof, and from any 9789  
political subdivision of the state, and may agree to repay any 9790  
contribution of money or to return any property contributed or 9791  
the value thereof at such times, in amounts, and on terms and 9792  
conditions, excluding the payment of interest, as the director 9793  
determines at the time the contribution is made, and may 9794  
evidence the obligations by notes, bonds, or other written 9795  
instruments; 9796



(9) Establish with the treasurer of state the funds 9797  
provided in sections 122.80 and 122.88 of the Revised Code in 9798  
addition to such funds as the director determines are necessary 9799  
or proper; 9800

(10) Adopt rules under Chapter 119. of the Revised Code 9801  
necessary to implement sections 122.71 to 122.83 and 122.87 to 9802  
122.90 of the Revised Code. 9803

(11) Do all acts and things necessary or proper to carry 9804  
out the powers expressly granted and the duties imposed in 9805  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9806  
Code. 9807

(C) (1) All expenses and obligations incurred by the 9808  
director in carrying out the director's powers and in exercising 9809  
the director's duties under sections 122.71 to 122.83 and 122.87 9810  
to 122.90 of the Revised Code shall be payable solely from 9811  
revenues or other receipts or income of the director, from 9812  
grants, gifts, and contributions, or funds established in 9813  
accordance with such sections. Such sections do not authorize 9814  
the director to incur indebtedness or to impose liability on the 9815  
state or any political subdivision of the state. 9816

(2) Financial statements and other data submitted to the 9817  
director by any corporation, partnership, or person in 9818  
connection with financial assistance provided under sections 9819  
122.71 to 122.83 and 122.87 to 122.90 of the Revised Code, or 9820  
any information taken from such statements or data for any 9821  
purpose, shall not be open to public inspection. 9822

**Sec. 122.75.** The director of housing and development 9823  
shall, for the minority business development loan program, the 9824  
minority business bonding program, and the minority business 9825

bond guarantee program under sections 122.87 to 122.90 of the 9826  
Revised Code, do all of the following: 9827

(A) Hire employees, consultants, and agents and fix their 9828  
compensation; 9829

(B) Adopt bylaws and rules for the regulation of the 9830  
business of the minority development financing advisory board; 9831

(C) Receive and accept grants, gifts, and contributions of 9832  
money, property, labor, and other things of value, to be held, 9833  
used, and applied only for the purpose for which the grants, 9834  
gifts, and contributions are made, from individuals, private and 9835  
public corporations, the United States or any agency of the 9836  
United States, the state or any agency of the state, and any 9837  
political subdivision of the state. The director may agree to 9838  
repay any contribution of money or to return any property 9839  
contributed or its value at such times, in amounts, and on terms 9840  
and conditions, excluding the payment of interest, as the 9841  
director determines at the time the contribution is made. The 9842  
director may evidence the obligations by written contracts, 9843  
subject to section 122.76 of the Revised Code; provided, that 9844  
the director shall not thereby incur indebtedness of or impose 9845  
liability upon the state or any political subdivision. 9846

(D) Establish funds with the treasurer of state in 9847  
addition to the minority business bonding fund created under 9848  
section 122.88 of the Revised Code; 9849

(E) Invest money in the funds the director establishes 9850  
pursuant to division (D) of this section that is in excess of 9851  
current needs, in notes, bonds, or other obligations that are 9852  
direct obligations of or are guaranteed by the United States, or 9853  
in certificates of deposit or withdrawable accounts of banks, 9854

trust companies, or savings and loan associations organized 9855  
under the laws of this state or the United States, and may 9856  
credit the income or sell the investments at the director's 9857  
discretion; 9858

(F) Acquire any property of any kind or character in 9859  
accordance with sections 122.71 to 122.83 of the Revised Code, 9860  
by purchase, purchase at foreclosure, or exchange on terms and 9861  
in a manner the director considers proper; 9862

(G) (1) Maintain, protect, repair, improve, and insure any 9863  
property the director has acquired and dispose of it by sale, 9864  
exchange, or lease for the consideration and on terms and in a 9865  
manner the director considers proper. The director may not 9866  
operate any property as a business except as a lessor of the 9867  
property. When the cost of any contract for the maintenance, 9868  
protection, repair, or improvement of any property of the 9869  
advisory board connected with the minority business development 9870  
loan program, other than compensation for personal services, 9871  
involves an expenditure of more than one thousand dollars, the 9872  
director shall enter into a written contract with the lowest and 9873  
best bidder after advertisement for not less than four 9874  
consecutive weeks in a newspaper of general circulation in the 9875  
county where the contract, or some substantial part of it, is to 9876  
be performed, and in other publications as the director 9877  
determines. The notice shall state the general character of the 9878  
work and the general character of the materials to be furnished, 9879  
the place where plans and specifications for the work and 9880  
materials may be examined, and the time and place of receiving 9881  
bids. 9882

(2) Each bid for a contract for the construction, 9883  
demolition, alteration, repair, or reconstruction of an 9884

improvement shall contain the full name of every person 9885  
interested in it and meet the requirements of section 153.54 of 9886  
the Revised Code. 9887

(3) Each bid for a contract, except as provided in 9888  
division (G)(2) of this section, shall contain the full name of 9889  
every person interested in it and shall be accompanied by a bond 9890  
or certified check on a solvent bank, in the amount of ten per 9891  
cent of the bid, that if the bid is accepted a contract will be 9892  
entered into and the performance of its proposal secured. The 9893  
director may reject any or all bids. A bond with good and 9894  
sufficient surety, approved by the director, shall be required 9895  
of all contractors in an amount equal to at least one hundred 9896  
per cent of the contract price, conditioned upon faithful 9897  
performance of the contract. 9898

(H) Expend money appropriated to the department of housing 9899  
and development by the general assembly for the purposes of 9900  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9901  
Code; 9902

(I) Do all acts and things necessary or proper to carry 9903  
out the powers expressly granted and the duties imposed in 9904  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 9905  
Code. 9906

**Sec. 122.76.** (A) The director of housing and development, 9907  
with controlling board approval, may lend funds to minority 9908  
business enterprises and to community improvement corporations, 9909  
Ohio development corporations, minority contractors business 9910  
assistance organizations, and minority business supplier 9911  
development councils for the purpose of loaning funds to 9912  
minority business enterprises, for the purpose of procuring or 9913  
improving real or personal property, or both, for the 9914

establishment, location, or expansion of industrial, 9915  
distribution, commercial, or research facilities in the state, 9916  
and for the purpose of contract financing, and to community 9917  
development corporations that predominantly benefit minority 9918  
business enterprises or are located in a census tract that has a 9919  
population that is sixty per cent or more minority, if the 9920  
director determines, in the director's sole discretion, that all 9921  
of the following apply: 9922

(1) The project is economically sound and will benefit the 9923  
people of the state by increasing opportunities for employment, 9924  
by strengthening the economy of the state, or expanding minority 9925  
business enterprises. 9926

(2) The proposed minority business enterprise borrower is 9927  
unable to finance the proposed project through ordinary 9928  
financial channels at comparable terms. 9929

(3) The value of the project is or, upon completion, will 9930  
be at least equal to the total amount of the money expended in 9931  
the procurement or improvement of the project. 9932

(4) The amount to be loaned by the director will not 9933  
exceed seventy-five per cent of the total amount expended in the 9934  
procurement or improvement of the project. 9935

(5) The amount to be loaned by the director will be 9936  
adequately secured by a first or second mortgage upon the 9937  
project or by mortgages, leases, liens, assignments, or pledges 9938  
on or of other property or contracts as the director requires, 9939  
and such mortgage will not be subordinate to any other liens or 9940  
mortgages except the liens securing loans or investments made by 9941  
financial institutions referred to in division (A) (3) of this 9942  
section, and the liens securing loans previously made by any 9943

financial institution in connection with the procurement or 9944  
expansion of all or part of a project. 9945

(B) Any proposed minority business enterprise borrower 9946  
submitting an application for assistance under this section 9947  
shall not have defaulted on a previous loan from the director, 9948  
and no full or limited partner, major shareholder, or holder of 9949  
an equity interest of the proposed minority business enterprise 9950  
borrower shall have defaulted on a loan from the director. 9951

(C) The proposed minority business enterprise borrower 9952  
shall demonstrate to the satisfaction of the director that it is 9953  
able to successfully compete in the private sector if it obtains 9954  
the necessary financial, technical, or managerial support and 9955  
that support is available through the director, the minority 9956  
business development division of the department of housing and 9957  
development, or other identified and acceptable sources. In 9958  
determining whether a minority business enterprise borrower will 9959  
be able to successfully compete, the director may give 9960  
consideration to such factors as the successful completion of or 9961  
participation in courses of study, recognized by the department 9962  
of higher education as providing financial, technical, or 9963  
managerial skills related to the operation of the business, by 9964  
the economically disadvantaged individual, owner, or partner, 9965  
and the prior success of the individual, owner, or partner in 9966  
personal, career, or business activities, as well as to other 9967  
factors identified by the director. 9968

(D) The director shall not lend funds for the purpose of 9969  
procuring or improving motor vehicles or accounts receivable. 9970

**Sec. 122.77.** (A) The director of housing and development 9971  
with controlling board approval may make loan guarantees to 9972  
small businesses and corporations for the purpose of 9973

guaranteeing loans made to small businesses by financial 9974  
institutions for the purpose of procuring or improving real or 9975  
personal property, or both, for the establishment, location, or 9976  
expansion of industrial, distribution, commercial, or research 9977  
facilities in the state, if the director determines, in the 9978  
director's sole discretion, that all of the following apply: 9979

(1) The project is economically sound and will benefit the 9980  
people of the state by increasing opportunities for employment, 9981  
by strengthening the economy of the state, or expanding minority 9982  
business enterprises. 9983

(2) The proposed small business borrower is unable to 9984  
finance the proposed project through ordinary financial channels 9985  
at comparable terms. 9986

(3) The value of the project is, or upon completion of it 9987  
will be, at least equal to the total amount of the money 9988  
expended in the procurement or improvement of the project and of 9989  
which amount one or more financial institutions or other 9990  
governmental entities have loaned not less than thirty per cent. 9991

(4) The amount to be guaranteed by the director will not 9992  
exceed eighty per cent of the total amount expended in the 9993  
procurement or improvement of the project. 9994

(5) The amount to be guaranteed by the director will be 9995  
adequately secured by a first or second mortgage upon the 9996  
project, or by mortgages, leases, liens, assignments, or pledges 9997  
on or of other property or contracts as the director shall 9998  
require and that such mortgage will not be subordinate to any 9999  
other liens or mortgages except the liens securing loans or 10000  
investments made by financial institutions referred to in 10001  
division (A) (3) of this section, and the liens securing loans 10002

previously made by any financial institution in connection with 10003  
the procurement or expansion of all or part of a project. 10004

(B) The proposed small business borrower shall not have 10005  
defaulted on a previous loan or guarantee from the director, and 10006  
no full or limited partner, or major shareholder, or holder of 10007  
any equity interest of the proposed minority business enterprise 10008  
borrower shall have defaulted on a loan or guarantee from the 10009  
director. 10010

(C) The proposed small business borrower shall demonstrate 10011  
to the satisfaction of the director that it is able to 10012  
successfully compete in the private sector if it obtains the 10013  
necessary financial, technical, or managerial support and that 10014  
support is available through the director, the minority business 10015  
development division of the department of housing and 10016  
development, or other identified and acceptable sources. In 10017  
determining whether a small business borrower will be able to 10018  
successfully compete, the director may give consideration to 10019  
such factors as the successful completion of or participation in 10020  
courses of study, recognized by the department of higher 10021  
education as providing financial, technical, or managerial 10022  
skills related to the operation of the business, by the 10023  
economically disadvantaged individual, owner, or partner, and 10024  
the prior success of the individual, owner, or partner in 10025  
personal, career, or business activities, as well as to other 10026  
factors identified by the director. 10027

(D) The director shall not guarantee funds for the purpose 10028  
of procuring or improving motor vehicles or accounts receivable. 10029

**Sec. 122.78.** Fees, charges, rates of interest, times of 10030  
payment of interest and principal, and other terms, conditions, 10031  
and provisions of the loans and guarantees made by the director 10032



of housing and development pursuant to sections 122.71 to 122.83 10033  
and 122.87 to 122.90 of the Revised Code shall be such as the 10034  
director determines to be appropriate and in furtherance of the 10035  
purpose for which the loans and guarantees are made, but the 10036  
mortgage lien securing any money loaned or guaranteed by the 10037  
director may be subordinate to the mortgage lien securing any 10038  
money loaned or invested by a financial institution, but shall 10039  
be superior to that securing any money loaned or expended by any 10040  
other corporation or person. The funds used in making these 10041  
loans or guarantees shall be disbursed upon order of the 10042  
director. 10043

**Sec. 122.79.** The exercise of the powers granted by 10044  
sections 122.71 to 122.83 and 122.87 to 122.90 of the Revised 10045  
Code, will be in all respects for the benefit of the people of 10046  
the state, for the increase of their commerce and prosperity, 10047  
for the increase and expansion of minority business enterprises, 10048  
and for the improvement of conditions of employment, and will 10049  
constitute the performance of essential governmental functions; 10050  
therefore, the director of housing and development shall not be 10051  
required to pay any taxes upon any property or assets held by 10052  
the director, or upon any property acquired or used by the 10053  
director under sections 122.71 to 122.83 and 122.87 to 122.90 of 10054  
the Revised Code, or upon the income from it, provided that this 10055  
exemption shall not apply to any property held by the director 10056  
while it is in the possession of a private person, partnership, 10057  
or corporation and used for private purposes for profit, in 10058  
which case such tax liability shall accrue to the private 10059  
person, partnership, or corporation. 10060

**Sec. 122.80.** There is hereby created in the state treasury 10061  
the minority business enterprise loan fund. The fund shall 10062  
consist of money deposited into the fund from the facilities 10063

establishment fund pursuant to section 166.03 of the Revised 10064  
Code and all money deposited into the fund pursuant to section 10065  
122.81 of the Revised Code. The director of housing and 10066  
development shall use the fund to pay operating costs of the 10067  
minority development financing advisory board, make loans to 10068  
minority business enterprises as authorized in division (A) of 10069  
section 122.76 of the Revised Code, loan guarantees to small 10070  
businesses as authorized in division (A) of section 122.77 of 10071  
the Revised Code, and for transfer to the capital access loan 10072  
program fund established in section 122.601 of the Revised Code 10073  
to be used solely for minority business enterprises or minority 10074  
businesses certified by the minority business supplier 10075  
development council for deposits specified by division (D) (1) (b) 10076  
of section 122.603 of the Revised Code. 10077

**Sec. 122.81.** In the event of a default with respect to any 10078  
loan, guarantee, or lease, the director of housing and 10079  
development shall take such action as ~~he~~ the director considers 10080  
proper in the circumstances to enforce and protect the rights of 10081  
the director, and such actions as may be required, which may 10082  
include any appropriate action at law or in equity, enforcement 10083  
or waiver of any provision of any mortgage or security agreement 10084  
or lease, or reinstatement of any forfeited or canceled right, 10085  
title, or privilege. 10086

Any moneys received from the repayment of a loan, 10087  
guarantee, or lease authorized pursuant to sections 122.77 and 10088  
122.78 of the Revised Code, and any moneys recovered in the 10089  
event of a default with respect to any such loan, guarantee, or 10090  
lease, shall immediately be deposited in the minority business 10091  
enterprise loan fund. 10092

**Sec. 122.82.** All moneys, funds, properties, and assets 10093

acquired by the director of housing and development shall be 10094  
held by the director in trust to carry out the director's powers 10095  
and duties, shall be used as provided in sections 122.71 to 10096  
122.83 and 122.87 to 122.90 of the Revised Code, and shall at no 10097  
time be part of other public funds. 10098

**Sec. 122.84.** (A) As used in this section: 10099

(1) "Ohio qualified opportunity fund" means a qualified 10100  
opportunity fund that holds one hundred per cent of its invested 10101  
assets in qualified opportunity zone property situated in an 10102  
Ohio opportunity zone. 10103

In the case of qualified opportunity zone property that is 10104  
qualified opportunity zone stock or qualified opportunity zone 10105  
partnership interest, the stock or interest is situated in an 10106  
Ohio opportunity zone only if, during all of the qualified 10107  
opportunity fund's holding period for such stock or interest, 10108  
all of the use of the corporation's or partnership's tangible 10109  
property was in an Ohio opportunity zone. In the case of 10110  
qualified opportunity zone property that is qualified 10111  
opportunity zone business property, the property is situated in 10112  
an Ohio opportunity zone only if, during all of the fund's 10113  
holding period for such property, all of the use of the property 10114  
was in an Ohio opportunity zone. 10115

All terms used in division (A) of this section have the 10116  
same meaning as in 26 U.S.C. 1400Z-2, except that "all" shall be 10117  
substituted for "substantially all" wherever "substantially all" 10118  
appears in the definition of those terms or in the definition of 10119  
terms used in those terms. 10120

(2) "Ohio opportunity zone" means a qualified opportunity 10121  
zone designated in this state under 26 U.S.C. 1400Z-1 before, 10122

on, or after the effective date of the enactment of this section 10123  
by H.B. 166 of the 133rd general assembly. 10124

(3) "Taxpayer" and "taxable year" have the same meanings 10125  
as in section 5747.01 of the Revised Code. 10126

(4) "Qualifying taxable year" means one of the following, 10127  
as applicable: 10128

(a) For a taxpayer, the taxpayer's taxable year that 10129  
includes the first day of a calendar year during which the Ohio 10130  
qualified opportunity fund in which the credit eligible 10131  
investment was made invests in a project located in an Ohio 10132  
opportunity zone; 10133

(b) For a person that is not a taxpayer but is subject to 10134  
federal income taxation, the person's federal taxable year that 10135  
includes the first day of a calendar year during which an Ohio 10136  
qualified opportunity fund in which the credit eligible 10137  
investment was made invests in a project located in an Ohio 10138  
opportunity zone; 10139

(c) For any other person, the calendar year during which 10140  
an Ohio qualified opportunity fund in which the credit eligible 10141  
investment was made invests in a project located in an Ohio 10142  
opportunity zone. 10143

(5) "Business day" means a day of the week excluding 10144  
Saturday, Sunday, and a legal holiday as defined under section 10145  
1.14 of the Revised Code. 10146

(6) "Investment period" means the six-month period from 10147  
the first day of January to the thirtieth day of June, or from 10148  
the first day of July to the thirty-first day of December. 10149

(B) A person that invests in one or more Ohio qualified 10150

opportunity funds may apply to the director of housing and 10151  
development for a nonrefundable credit against the tax levied 10152  
under section 5747.02 of the Revised Code. The application shall 10153  
be made on forms prescribed by the director. The director shall 10154  
accept and review applications submitted under this section 10155  
during two annual periods, the first of which begins on the 10156  
tenth day of January and ends after the first day of February, 10157  
and the second of which begins on the tenth day of July and ends 10158  
after the first day of August. If any of those dates fall on a 10159  
day that is not a business day, then the application period 10160  
begins on or ends after the next business day, as applicable. 10161  
The credit shall equal ten per cent of the amount of the 10162  
person's investment in the fund that the fund invested during 10163  
the immediately preceding investment period in projects located 10164  
in Ohio opportunity zones. 10165

The person shall include the following information with 10166  
the person's application: 10167

(1) The amount of the person's investment in Ohio 10168  
qualified opportunity funds during the person's qualifying 10169  
taxable year, arranged according to the amount invested in each 10170  
such fund if the person invested in more than one such fund; 10171

(2) A statement from an employee or officer of each Ohio 10172  
qualified opportunity fund identified by the person under 10173  
division (B)(1) of this section certifying the amount of the 10174  
person's investment in the fund and the amount of that 10175  
investment the fund invested in projects located in Ohio 10176  
opportunity zones during the immediately preceding investment 10177  
period. The statement shall describe each project funded by the 10178  
investment and state each project's location and the portion of 10179  
the person's investment invested in each such project. Unless 10180

the fund demonstrates otherwise to the director's satisfaction, 10181  
the amount of a person's investment that the fund invested in a 10182  
project located in an Ohio opportunity zone equals the same 10183  
proportion of the amount of the fund's investment in the project 10184  
as the person's investment in the fund bears to the total 10185  
investment by all investors in that fund on the date the fund 10186  
makes the investment in the project. 10187

The director shall review and process applications in the 10188  
order in which applications are received. 10189

(C) (1) Subject to division (C) (2) of this section, if the 10190  
director determines that the applicant qualifies for a credit 10191  
under this section, the director shall issue, within sixty days 10192  
after the last day on which an application may be submitted for 10193  
that application period, a tax credit certificate to the person 10194  
identified with a unique number and listing the amount of credit 10195  
the director determines is eligible to be claimed or 10196  
transferred. 10197

(2) The total amount of tax credits issued by the director 10198  
shall not exceed: 10199

(a) Seventy-five million dollars for the fiscal biennium 10200  
beginning July 1, 2021, and ending June 30, 2023; 10201

(b) Fifty million dollars for fiscal year 2024; 10202

(c) Twenty-five million dollars for each fiscal year 10203  
thereafter. 10204

The director shall not issue certificates to a single 10205  
applicant in any fiscal biennium in an amount that exceeds two 10206  
million dollars. 10207

The director may not issue a certificate under this 10208

section on the basis of any investment for which a small 10209  
business investment certificate has been issued under section 10210  
122.86 of the Revised Code. 10211

(3) The credit may be claimed by a taxpayer for the 10212  
taxpayer's qualifying taxable year or the next ensuing taxable 10213  
year. The taxpayer shall claim the credit in the order 10214  
prescribed by section 5747.98 of the Revised Code. Any unused 10215  
amount may be carried forward for the following five taxable 10216  
years. If the certificate is issued to a pass-through entity for 10217  
an investment by the entity, any taxpayer that is a direct or 10218  
indirect investor in the pass-through entity on the last day of 10219  
the entity's qualifying taxable year may claim the taxpayer's 10220  
proportionate or distributive share of the credit against the 10221  
taxpayer's aggregate amount of tax levied under that section. A 10222  
person that is not a taxpayer shall not claim the credit but if 10223  
the person is the applicant to which the certificate was 10224  
initially issued, the person may transfer the right to claim the 10225  
credit under division (E) of this section. 10226

(D) A taxpayer claiming a credit under this section shall 10227  
submit a copy of the certificate with the taxpayer's return or 10228  
report. 10229

(E) A person that holds a wholly or partially unclaimed 10230  
certificate issued under this section may transfer the right to 10231  
claim all or part of the remaining credit to any other person. 10232  
To effectuate the transfer, the transferor must notify the tax 10233  
commissioner, in writing, that the transferor is transferring 10234  
the right to claim all or part of the remaining credit stated on 10235  
the certificate. The transferor shall identify in that 10236  
notification the certificate's number, the name and the tax 10237  
identification number of the transferee, the amount of remaining 10238

credit transferred to the transferee, and, if applicable, the 10239  
amount of remaining credit retained by the transferor. The 10240  
transferee may claim the amount of credit received under this 10241  
division pursuant to and in the manner required under divisions 10242  
(C) (3) and (D) of this section. Transferring a credit under this 10243  
division does not extend the taxable years in which the credit 10244  
may be claimed or number of years for which the unclaimed credit 10245  
amount may be carried forward under division (C) (3) of this 10246  
section. 10247

Any person to which a credit has been transferred under 10248  
this division may transfer the right to claim all or part of the 10249  
transferred credit amount to any other person, in the same 10250  
manner prescribed by this division for the initial transfer, 10251  
including that any such transfer be reported by the transferor 10252  
to the tax commissioner as described in this division. 10253

(F) On or before the first day of August each year, the 10254  
director of housing and development shall submit a report to the 10255  
governor, the president and minority leader of the senate, and 10256  
the speaker and minority leader of the house of representatives 10257  
on the tax credit program authorized under this section. The 10258  
report shall include the following information: 10259

(1) The number of projects funded by investments for which 10260  
a tax credit application was submitted under this section during 10261  
the preceding year, the Ohio opportunity zone in which each such 10262  
project is located, the number of projects funded by investments 10263  
for which certificates were allocated during the preceding year, 10264  
a description of each such project, and the composition of an 10265  
Ohio qualified opportunity fund's investments in each project 10266  
funded by investments for which a tax credit application was 10267  
submitted under this section; 10268



(2) The number of persons that invested in an Ohio 10269  
qualified opportunity fund and applied for a tax credit based on 10270  
the fund's investment in a project during the preceding year, 10271  
the name of the fund in which each such investment was made, the 10272  
number of persons allocated a credit for such investments under 10273  
this section, and the dollar amount of those credits; 10274

(3) A map that shows the location of each Ohio opportunity 10275  
zone and that indicates which zones include existing or pending 10276  
projects that are, or will be, funded by tax credit-eligible 10277  
investments. 10278

**Sec. 122.85.** (A) As used in this section and in sections 10279  
5726.55, 5733.59, 5747.66, and 5751.54 of the Revised Code: 10280

(1) "Tax credit-eligible production" means a motion 10281  
picture or Broadway theatrical production certified by the 10282  
director of housing and development under division (B) of this 10283  
section as qualifying the production company for a tax credit 10284  
under section 5726.55, 5733.59, 5747.66, or 5751.54 of the 10285  
Revised Code. 10286

(2) "Certificate owner" means a production company to 10287  
which a tax credit certificate is issued. 10288

(3) "Production company" means an individual, corporation, 10289  
partnership, limited liability company, or other form of 10290  
business association that is registered with the secretary of 10291  
state and that is producing a motion picture or Broadway 10292  
theatrical production. 10293

(4) "Eligible expenditures" means expenditures made after 10294  
June 30, 2009, for goods or services purchased and consumed in 10295  
this state by a production company directly for the production 10296  
of a tax credit-eligible production, for postproduction 10297

activities, or for advertising and promotion of the production. 10298

"Eligible expenditures" do not include qualified 10299  
expenditures for which a production company receives a tax 10300  
credit under section 122.852 of the Revised Code. 10301

"Eligible expenditures" include expenditures for cast and 10302  
crew wages, accommodations, costs of set construction and 10303  
operations, editing and related services, photography, sound 10304  
synchronization, lighting, wardrobe, makeup and accessories, 10305  
film processing, transfer, sound mixing, special and visual 10306  
effects, music, location fees, and the purchase or rental of 10307  
facilities and equipment. 10308

(5) "Motion picture" means entertainment content created 10309  
in whole or in part within this state for distribution or 10310  
exhibition to the general public, including, but not limited to, 10311  
feature-length films; documentaries; long-form, specials, 10312  
miniseries, series, and interstitial television programming; 10313  
interactive web sites; sound recordings; videos; music videos; 10314  
interactive television; interactive games; video games; 10315  
commercials; any format of digital media; and any trailer, 10316  
pilot, video teaser, or demo created primarily to stimulate the 10317  
sale, marketing, promotion, or exploitation of future investment 10318  
in either a product or a motion picture by any means and media 10319  
in any digital media format, film, or videotape, provided the 10320  
motion picture qualifies as a motion picture. "Motion picture" 10321  
does not include any television program created primarily as 10322  
news, weather, or financial market reports, a production 10323  
featuring current events or sporting events, an awards show or 10324  
other gala event, a production whose sole purpose is 10325  
fundraising, a long-form production that primarily markets a 10326  
product or service or in-house corporate advertising or other 10327

similar productions, a production for purposes of political 10328  
advocacy, or any production for which records are required to be 10329  
maintained under 18 U.S.C. 2257 with respect to sexually 10330  
explicit content. 10331

(6) "Broadway theatrical production" means a prebroadway 10332  
production, long run production, or tour launch that is 10333  
directed, managed, and performed by a professional cast and crew 10334  
and that is directly associated with New York city's broadway 10335  
theater district. 10336

(7) "Prebroadway production" means a live stage production 10337  
that is scheduled for presentation in New York city's broadway 10338  
theater district after the original or adaptive version is 10339  
performed in a qualified production facility. 10340

(8) "Long run production" means a live stage production 10341  
that is scheduled to be performed at a qualified production 10342  
facility for more than five weeks, with an average of at least 10343  
six performances per week. 10344

(9) "Tour launch" means a live stage production for which 10345  
the activities comprising the technical period are conducted at 10346  
a qualified production facility before a tour of the original or 10347  
adaptive version of the production begins. 10348

(10) "Qualified production facility" means a facility 10349  
located in this state that is used in the development or 10350  
presentation to the public of theater productions. 10351

(B) For the purpose of encouraging and developing strong 10352  
film and theater industries in this state, the director of 10353  
housing and development may certify a motion picture or broadway 10354  
theatrical production produced by a production company as a tax 10355  
credit-eligible production. In the case of a television series, 10356

the director may certify the production of each episode of the 10357  
series as a separate tax credit-eligible production. A 10358  
production company shall apply for certification of a motion 10359  
picture or Broadway theatrical production as a tax credit- 10360  
eligible production on a form and in the manner prescribed by 10361  
the director. Each application shall include the following 10362  
information: 10363

(1) The name and telephone number of the production 10364  
company; 10365

(2) The name and telephone number of the company's contact 10366  
person; 10367

(3) A list of the first preproduction date through the 10368  
last production and postproduction dates in Ohio and, in the 10369  
case of a Broadway theatrical production, a list of each 10370  
scheduled performance in a qualified production facility; 10371

(4) The Ohio production office or qualified production 10372  
facility address and telephone number; 10373

(5) The total production budget; 10374

(6) The total budgeted eligible expenditures and the 10375  
percentage that amount is of the total production budget of the 10376  
motion picture or Broadway theatrical production; 10377

(7) In the case of a motion picture, the total percentage 10378  
of the production being shot in Ohio; 10379

(8) The level of employment of cast and crew who reside in 10380  
Ohio; 10381

(9) A synopsis of the script; 10382

(10) In the case of a motion picture, the shooting script; 10383

(11) A creative elements list that includes the names of 10384  
the principal cast and crew and the producer and director; 10385

(12) Documentation of financial ability to undertake and 10386  
complete the motion picture or Broadway theatrical production, 10387  
including documentation that shows that the company has secured 10388  
funding equal to at least fifty per cent of the total production 10389  
budget; 10390

(13) Estimated value of the tax credit based upon total 10391  
budgeted eligible expenditures; 10392

(14) Estimated amount of state and local taxes to be 10393  
generated in this state from the production; 10394

(15) Estimated economic impact of the production in this 10395  
state; 10396

(16) Any other information considered necessary by the 10397  
director. 10398

Within ninety days after certification of a motion picture 10399  
or Broadway theatrical production as a tax credit-eligible 10400  
production, and any time thereafter upon the request of the 10401  
director, the production company shall present to the director 10402  
sufficient evidence of reviewable progress. If the production 10403  
company fails to present sufficient evidence, the director may 10404  
rescind the certification. If the production of a motion picture 10405  
or Broadway theatrical production does not begin within ninety 10406  
days after the date it is certified as a tax credit-eligible 10407  
production, the director shall rescind the certification unless 10408  
the director finds that the production company shows good cause 10409  
for the delay, meaning that the production was delayed due to 10410  
unforeseeable circumstances beyond the production company's 10411  
control or due to action or inaction by a government agency. 10412

Upon rescission, the director shall notify the applicant that 10413  
the certification has been rescinded. Nothing in this section 10414  
prohibits an applicant whose tax credit-eligible production 10415  
certification has been rescinded from submitting a subsequent 10416  
application for certification. 10417

(C) (1) A production company whose motion picture or 10418  
broadway theatrical production has been certified as a tax 10419  
credit-eligible production may apply to the director of housing 10420  
and development on or after July 1, 2009, for a refundable 10421  
credit against the tax imposed by section 5726.02, 5733.06, 10422  
5747.02, or 5751.02 of the Revised Code. The director in 10423  
consultation with the tax commissioner shall prescribe the form 10424  
and manner of the application and the information or 10425  
documentation required to be submitted with the application. 10426

The credit is determined as follows: 10427

(a) If the total budgeted eligible expenditures stated in 10428  
the application submitted under division (B) of this section or 10429  
the actual eligible expenditures as finally determined under 10430  
division (D) of this section, whichever is least, is less than 10431  
or equal to three hundred thousand dollars, no credit is 10432  
allowed; 10433

(b) If the total budgeted eligible expenditures stated in 10434  
the application submitted under division (B) of this section or 10435  
the actual eligible expenditures as finally determined under 10436  
division (D) of this section, whichever is least, is greater 10437  
than three hundred thousand dollars, the credit equals thirty 10438  
per cent of the least of such budgeted or actual eligible 10439  
expenditure amounts. 10440

(2) Except as provided in division (C) (4) of this section, 10441

if the director of housing and development approves a production 10442  
company's application for a credit, the director shall issue a 10443  
tax credit certificate to the company. The director in 10444  
consultation with the tax commissioner shall prescribe the form 10445  
and manner of issuing certificates. The director shall assign a 10446  
unique identifying number to each tax credit certificate and 10447  
shall record the certificate in a register devised and 10448  
maintained by the director for that purpose. The certificate 10449  
shall state the amount of the eligible expenditures on which the 10450  
credit is based and the amount of the credit. Upon the issuance 10451  
of a certificate, the director shall certify to the tax 10452  
commissioner the name of the production company to which the 10453  
certificate was issued, the amount of eligible expenditures 10454  
shown on the certificate, the amount of the credit, and any 10455  
other information required by the rules adopted to administer 10456  
this section. 10457

(3) The amount of eligible expenditures for which a tax 10458  
credit may be claimed is subject to inspection and examination 10459  
by the tax commissioner or employees of the commissioner under 10460  
section 5703.19 of the Revised Code and any other applicable 10461  
law. Once the eligible expenditures are finally determined under 10462  
section 5703.19 of the Revised Code and division (D) of this 10463  
section, the credit amount is not subject to adjustment unless 10464  
the director determines an error was committed in the 10465  
computation of the credit amount. 10466

(4) No tax credit certificate may be issued before the 10467  
completion of the tax credit-eligible production. The amount of 10468  
tax credit allowed per fiscal year shall not exceed the sum of 10469  
(a) fifty million dollars, (b) the difference between the 10470  
maximum credit amount for that fiscal year under section 122.852 10471  
of the Revised Code and the amount the director of housing and 10472

development elects to allow under this section pursuant to 10473  
division (D) (1) of section 122.852 of the Revised Code, and (c) 10474  
the difference between the maximum amount of credits that could 10475  
have been awarded in the previous fiscal year under this section 10476  
and the amount actually awarded. Out of that sum, five million 10477  
dollars shall be reserved for Broadway theatrical productions, 10478  
and the balance may be allowed for any tax credit-eligible 10479  
production. For any fiscal year in which less than five million 10480  
dollars of tax credits are allowed for Broadway theatrical 10481  
productions, the amount of the five million dollars not allowed 10482  
and added to the maximum annual amount for the following fiscal 10483  
year shall be reserved for Broadway theatrical productions in 10484  
the following fiscal year. 10485

(5) The director shall review and approve applications for 10486  
tax credits in two rounds each fiscal year. The first round of 10487  
credits shall be awarded not later than the last day of July of 10488  
the fiscal year, and the second round of credits shall be 10489  
awarded not later than the last day of the ensuing January. The 10490  
amount of credits awarded in the first round of applications 10491  
each fiscal year shall not exceed one-half of the maximum 10492  
allowance for the fiscal year calculated under division (C) (4) 10493  
of this section, two million five hundred thousand dollars of 10494  
which shall be reserved for Broadway theatrical productions. For 10495  
each round, the director shall rank applications on the basis of 10496  
the extent of positive economic impact each tax credit-eligible 10497  
production is likely to have in this state and the effect on 10498  
developing a permanent workforce in motion picture or theatrical 10499  
production industries in the state. For the purpose of such 10500  
ranking, the director shall give priority to tax-credit eligible 10501  
productions that are television series or miniseries due to the 10502  
long-term commitment typically associated with such productions. 10503



The economic impact ranking shall be based on the production 10504  
company's total expenditures in this state directly associated 10505  
with the tax credit-eligible production. The effect on 10506  
developing a permanent workforce in the motion picture or 10507  
theatrical production industries shall be evaluated first by the 10508  
number of new jobs created and second by amount of payroll added 10509  
with respect to employees in this state. 10510

The director shall approve productions in the order of 10511  
their ranking, from those with the greatest positive economic 10512  
impact and workforce development effect to those with the least 10513  
positive economic impact and workforce development effect. 10514

(D) A production company whose motion picture or Broadway 10515  
theatrical production has been certified as a tax credit- 10516  
eligible production shall engage, at the company's expense, an 10517  
independent certified public accountant to examine the company's 10518  
production, postproduction, and advertising and promotion 10519  
expenditures to identify the expenditures that qualify as 10520  
eligible expenditures. The certified public accountant shall 10521  
issue a report to the company and to the director of housing and 10522  
development certifying the company's eligible expenditures and 10523  
any other information required by the director. Upon receiving 10524  
and examining the report, the director may disallow any 10525  
expenditure the director determines is not an eligible 10526  
expenditure. If the director disallows an expenditure, the 10527  
director shall issue a written notice to the production company 10528  
stating that the expenditure is disallowed and the reason for 10529  
the disallowance. Upon examination of the report and 10530  
disallowance of any expenditures, the director shall determine 10531  
finally the lesser of the total budgeted eligible expenditures 10532  
stated in the application submitted under division (B) of this 10533  
section or the actual eligible expenditures for the purpose of 10534

computing the amount of the credit. 10535

(E) No credit shall be allowed under section 5726.55, 10536  
5733.59, 5747.66, or 5751.54 of the Revised Code unless the 10537  
director has reviewed the report and made the determination 10538  
prescribed by division (D) of this section. 10539

(F) This state reserves the right to refuse the use of 10540  
this state's name in the credits of any tax credit-eligible 10541  
motion picture production or program of any Broadway theatrical 10542  
production. 10543

(G) (1) The director of housing and development in 10544  
consultation with the tax commissioner shall adopt rules for the 10545  
administration of this section, including rules setting forth 10546  
and governing the criteria for determining whether a motion 10547  
picture or Broadway theatrical production is a tax credit- 10548  
eligible production; activities that constitute the production 10549  
or postproduction of a motion picture or Broadway theatrical 10550  
production; reporting sufficient evidence of reviewable 10551  
progress; expenditures that qualify as eligible expenditures; a 10552  
schedule and deadlines for applications to be submitted and 10553  
reviewed; a competitive process for approving credits based on 10554  
likely economic impact in this state and development of a 10555  
permanent workforce in motion picture or theatrical production 10556  
industries in this state; consideration of geographic 10557  
distribution of credits; and implementation of the program 10558  
described in division (H) of this section. The rules shall be 10559  
adopted under Chapter 119. of the Revised Code. 10560

(2) To cover the administrative costs of the program, the 10561  
director shall require each applicant to pay an application fee 10562  
equal to the lesser of ten thousand dollars or one per cent of 10563  
the estimated value of the tax credit as stated in the 10564

application. The fees collected shall be credited to the tax 10565  
incentives operating fund created in section 122.174 of the 10566  
Revised Code. All grants, gifts, fees, and contributions made to 10567  
the director for marketing and promotion of the motion picture 10568  
industry within this state shall also be credited to the fund. 10569

(H) The director of housing and development shall 10570  
establish a program for the training of Ohio residents who are 10571  
or wish to be employed in the film or multimedia industry. Under 10572  
the program, the director shall: 10573

(1) Certify individuals as film and multimedia trainees. 10574  
In order to receive such a certification, an individual must be 10575  
an Ohio resident, have participated in relevant on-the-job 10576  
training or have completed a relevant training course approved 10577  
by the director, and have met any other requirements established 10578  
by the director. 10579

(2) Accept applications from production companies that 10580  
intend to hire and provide on-the-job training to one or more 10581  
certified film and multimedia trainees who will be employed in 10582  
the company's tax credit-eligible production; 10583

(3) Upon completion of a tax-credit eligible production, 10584  
and upon the receipt of any salary information and other 10585  
documentation required by the director, authorize a 10586  
reimbursement payment to each production company whose 10587  
application was approved under division (H) (2) of this section. 10588  
The payment shall equal fifty per cent of the salaries paid to 10589  
film and multimedia trainees employed in the production. 10590

**Sec. 122.851.** (A) As used in this section: 10591

(1) "Venture capital operating company" has the same 10592  
meaning as in 29 C.F.R. 2510.3-101. 10593

(2) "Ohio venture capital operating company" means a 10594  
venture capital operating company certified by the director of 10595  
housing and development as having met the requirements 10596  
prescribed by division (B) of this section. A venture capital 10597  
operating company is an Ohio venture capital operating company 10598  
only for so long as the certification is valid. 10599

(3) "Ohio business" means a business that, in either the 10600  
calendar year in which a capital gain from the business is 10601  
recognized by the Ohio venture capital operating company or its 10602  
direct or indirect investors or the calendar year in which the 10603  
Ohio venture capital operating company distributes an equity 10604  
interest or security in the business, has its headquarters in 10605  
this state and employs more than one-half of the total number of 10606  
its full-time equivalent employees in this state. For the 10607  
purpose of this section, an employee is employed in this state 10608  
if the business is required to withhold income tax under section 10609  
5747.06 of the Revised Code for fifty per cent or more of the 10610  
compensation paid to the employee in either the calendar year in 10611  
which the Ohio venture capital operating company or its direct 10612  
or indirect investors recognize a capital gain from the business 10613  
or the calendar year in which the Ohio venture capital operating 10614  
company distributes an equity interest or security in the 10615  
business, as applicable. 10616

(4) "Qualifying interest" means a direct or indirect 10617  
ownership interest acquired through an investment of cash or 10618  
cash equivalent made in, or the provision of services to, a 10619  
venture capital operating company during the period for which it 10620  
was certified as an Ohio venture capital operating company. 10621

(B) (1) A venture capital operating company may apply to 10622  
the director of housing and development for certification as an 10623

Ohio venture capital operating company if it manages, or has 10624  
capital commitments of, at least fifty million dollars in active 10625  
assets and at least two-thirds of its managing and general 10626  
partners are residents of Ohio under division (I) of section 10627  
5747.01 of the Revised Code. The director, in consultation with 10628  
the tax commissioner, shall prescribe the form and manner of the 10629  
application and the information or documentation required to be 10630  
submitted with the application. 10631

(2) The director shall review and make a determination 10632  
with respect to each application submitted under this division 10633  
within sixty days of receipt. The director shall grant 10634  
certification to any applicant that meets the criteria 10635  
prescribed by this division. The director shall decline 10636  
certification of any applicant that does not meet such criteria. 10637  
The director shall notify the applicant and the tax commissioner 10638  
of the director's determination in writing. 10639

(C) (1) Certification as an Ohio venture capital operating 10640  
company is valid for as long as the company continues to qualify 10641  
as a venture capital operating company and meets the criteria 10642  
prescribed by division (B) (1) of this section. 10643

(2) A company that no longer qualifies as a venture 10644  
capital operating company or no longer meets the criteria 10645  
prescribed by division (B) (1) of this section shall notify the 10646  
director within thirty days of the date the company ceases to 10647  
qualify. 10648

(3) Upon receiving such a notification or upon otherwise 10649  
discovering that an Ohio venture capital operating company no 10650  
longer qualifies for certification, the director shall issue a 10651  
written notice of revocation to the venture capital operating 10652  
company and the tax commissioner. The notice shall state the 10653

effective date of the revocation, which shall be the date the  
company ceased to qualify for certification as an Ohio venture  
capital operating company.

(4) An Ohio venture capital operating company receiving  
such a notice may contest the director's decision to revoke its  
certification or the effective date of that revocation by  
submitting additional information or documentation to the  
director and requesting reconsideration in writing within thirty  
days of the notice of revocation based on that information or  
documentation. The director shall review and evaluate any such  
requests within thirty days of receipt. The director shall  
notify the company and tax commissioner in writing of the  
director's decision on the request, which shall not be subject  
to appeal or further review.

(D) (1) On or after the first day of January and on or  
before the first day of February of each year, a company that is  
certified as an Ohio venture capital operating company shall  
provide the following information, on forms prescribed by the  
director of housing and development, to the director and the tax  
commissioner:

(a) The name, social security or federal employer  
identification number, and ownership percentage of each person  
with a qualifying interest in the company;

(b) The amount of capital gains generated during the  
portion of the previous calendar year during which the company  
was certified as an Ohio venture capital operating company;

(c) A description of the company's investments that  
generated the capital gains described in division (D) (1) (b) of  
this section, including the date of sale and whether the

investment was in an Ohio business; 10683

(d) The amount of, and basis in, any equity interests or 10684  
securities distributed to each investor, arranged by entity, 10685  
while the company was certified as an Ohio venture capital 10686  
operating company and whether the entity is an Ohio business; 10687

(e) Any other information the director, in consultation 10688  
with the tax commissioner, considers relevant and necessary to 10689  
administer the deduction allowed under division (A) (35) of 10690  
section 5747.01 of the Revised Code. 10691

(2) The director shall review the information submitted 10692  
under division (D) (1) of this section by an Ohio venture capital 10693  
operating company within sixty days of receipt. If the company 10694  
generated capital gains that qualify for the deduction allowed 10695  
under division (A) (35) of section 5747.01 of the Revised Code or 10696  
distributed equity interests or securities that, when sold, will 10697  
qualify for the deduction once income is recognized from its 10698  
disposition, the director shall issue a certificate to the 10699  
company. The certificate shall include a unique number and the 10700  
following information: 10701

(a) The total amount of capital gains generated during the 10702  
portion of the year during which the company was certified as an 10703  
Ohio venture capital operating company; 10704

(b) The portion of the capital gains attributable to the 10705  
company's investments in Ohio businesses; and 10706

(c) The total amount of, and basis in, any equity 10707  
interests or securities distributed during the portion of the 10708  
year during which the company was certified as an Ohio venture 10709  
capital operating company; 10710

(d) The portion of the distributed equity interests or 10711

securities attributable to the company's investments in Ohio 10712  
businesses; 10713

(e) The portion of the amounts described in divisions (D) 10714  
(2) (a) and (b) of this section attributable to each individual 10715  
with a qualifying interest in the company; 10716

(f) Any other information the director or tax commissioner 10717  
considers necessary for the administration of the deduction 10718  
allowed under division (A) (35) of section 5747.01 of the Revised 10719  
Code. 10720

(E) An Ohio venture capital operating company shall 10721  
provide each person with a qualifying interest in the company 10722  
with a copy of the certificate issued under division (D) of this 10723  
section and any other documentation necessary to compute the 10724  
adjustments under division (A) (35) of section 5747.01 of the 10725  
Revised Code. A pass-through entity that receives a certificate 10726  
issued under this division from an Ohio venture capital 10727  
operating company shall provide its investors with a copy of the 10728  
certificate and any other documentation necessary to compute the 10729  
adjustments under division (A) (35) of section 5747.01 of the 10730  
Revised Code. 10731

A taxpayer claiming a deduction under division (A) (35) (a) 10732  
of section 5747.01 of the Revised Code shall provide, upon 10733  
request of the tax commissioner, a copy of that certificate. The 10734  
taxpayer shall retain a copy of the certificate for four years 10735  
from the later of the final filing date of the return on which 10736  
the deduction was claimed or the date the return on which the 10737  
deduction was claimed is filed. 10738

(F) The director of housing and development, in 10739  
consultation with the tax commissioner, may adopt rules in 10740



accordance with Chapter 119. of the Revised Code as are 10741  
necessary to administer this section. 10742

**Sec. 122.852.** (A) As used in this section: 10743

(1) "Capital improvement project" means a project that 10744  
consists of acquiring, constructing, rehabilitating, repairing, 10745  
redeveloping, expanding, or improving facilities located, or 10746  
equipment used in this state for production and postproduction 10747  
of motion pictures or Broadway theatrical productions. 10748

(2) "Qualified expenditures" means expenditures incurred 10749  
by a production company after June 30, 2023, for goods and 10750  
services purchased and consumed directly for a capital 10751  
improvement project. "Qualified expenditures" include accounting 10752  
or auditing expenditures incurred in connection with the report 10753  
required by division (F) of this section if paid to an 10754  
independent certified public accountant certified, or an 10755  
accounting firm registered under Chapter 4701. of the Revised 10756  
Code. "Qualified expenditures" do not include eligible 10757  
expenditures for which a production company received a tax 10758  
credit under section 122.85 of the Revised Code. 10759

(3) "Certificate owner" means a production company to 10760  
which a tax credit certificate is issued under division (H) of 10761  
this section or a person to which all or part of a tax credit is 10762  
transferred under division (I) of this section. 10763

(4) "Production company," "eligible expenditures," "motion 10764  
picture," and "Broadway theatrical production" have the same 10765  
meanings as in section 122.85 of the Revised Code. 10766

(B) For the purpose of encouraging and developing strong 10767  
film and theater industries in this state, the director of 10768  
housing and development may award a refundable credit against 10769

the tax imposed by section 5726.02, 5747.02, or 5751.02 of the Revised Code to a production company that completes a capital improvement project expected to have a positive economic impact in this state as a whole, or in any community in this state in which the facilities or equipment involved in the project are or will be located. A production company may apply to the director for a credit on a form and in the manner prescribed by rules adopted under division (J) of this section. An application may be submitted before, during, or after completion of the capital improvement project, but not sooner than July 1, 2024, and shall include all of the following information:

(1) The name, address, telephone number, and taxpayer identification number of the production company;

(2) A detailed description of the capital improvement project including the location of the facilities or equipment involved in the project and an explanation of how those facilities or equipment are intended to be used in the production or postproduction of motion pictures or Broadway theatrical productions in this state;

(3) (a) If the capital improvement project is complete at the time the application is submitted, a schedule documenting the progression of the project from its commencement to its completion;

(b) If the capital improvement project is not complete at the time the application is submitted, a schedule for the progression, completion, and, if applicable, commencement of the project.

(4) An estimate of the amount of the project's qualified expenditures that have been or will be incurred by the

production company and, if the project is not complete at the 10799  
time the application is submitted, documentation of the 10800  
company's financial ability to complete the project, including 10801  
documentation that shows the company has secured funding, other 10802  
than the tax credit authorized by this section, equal to at 10803  
least fifty per cent of the total cost of the project; 10804

(5) The estimated credit amount, which shall equal the 10805  
lesser of five million dollars or twenty-five per cent of the 10806  
production company's estimated qualified expenditures; 10807

(6) The estimated economic impact of the capital 10808  
improvement project in this state as a whole, and in any 10809  
community in this state in which the facilities or equipment 10810  
involved in the project are or will be located; 10811

(7) Any other information considered necessary by the 10812  
director. 10813

(C) The director shall review, evaluate, and approve 10814  
applications in one round per fiscal year. For each round, the 10815  
director shall rank applications on the basis of the capital 10816  
improvement project's likely positive economic impact and effect 10817  
on developing a permanent workforce in motion picture or 10818  
theatrical production industries in the state as a whole, and in 10819  
any community in this state in which the facilities or equipment 10820  
involved in the project are or will be located. The effect on 10821  
developing a permanent workforce in the motion picture or 10822  
theatrical production industries shall be evaluated first by the 10823  
number of new jobs created and second by amount of payroll added 10824  
with respect to employees in this state. Subject to division (D) 10825  
(2) of this section, the director shall approve applications in 10826  
the order of their ranking, from those with the greatest 10827  
positive economic impact and workforce development effect to 10828

those with the least positive economic impact and workforce 10829  
development effect. The director shall not approve an 10830  
application or issue a tax credit certificate for a capital 10831  
improvement project that is not likely to have a positive 10832  
economic impact or workforce development impact in either the 10833  
state as a whole, or any community in this state in which the 10834  
facilities or equipment involved in the project are or will be 10835  
located. 10836

(D) (1) The director shall not approve more than twenty- 10837  
five million dollars in estimated tax credits in total per 10838  
fiscal year provided that, for any fiscal year in which the 10839  
amount of estimated credits approved under this section is less 10840  
than the maximum annual amount, the amount not approved for that 10841  
fiscal year shall be added to the maximum annual amount that may 10842  
be approved for the following fiscal year. 10843

If the director rescinds approval of a capital improvement 10844  
project under division (E) (2) of this section, the estimated 10845  
credit amount attributed to that project shall be added back to 10846  
the maximum total annual credit amount for that fiscal year. If 10847  
the actual credit amount computed under division (H) of this 10848  
section is less than the estimated credit amount approved by the 10849  
director, the difference shall be added back to the maximum 10850  
total annual credit amount for that fiscal year. 10851

In any fiscal year, the director may reduce the maximum 10852  
amount calculated under division (D) (1) of this section and 10853  
increase the maximum amount calculated under division (C) (4) of 10854  
section 122.85 of the Revised Code by the amount of that 10855  
reduction. 10856

(2) The director shall not approve more than five million 10857  
dollars in estimated tax credits per fiscal year for capital 10858

improvement projects located in any single county. 10859

(E) (1) Within ninety days after the director of housing 10860  
and development approves a capital improvement project that was 10861  
not complete at the time of the production company's 10862  
application, the production company shall submit sufficient 10863  
evidence of reviewable progress to the director. The director 10864  
may request additional updates from the production company 10865  
regarding the progression of the project as often as the 10866  
director considers necessary until the project is complete or 10867  
approval of the project is rescinded. The production company 10868  
shall respond to each such request within thirty days. 10869

(2) The director may rescind approval of a capital 10870  
improvement project if the production company fails to timely 10871  
submit evidence of reviewable progress or respond to the 10872  
director's request for a project update, as required by division 10873  
(E) (1) of this section, or if the director determines that the 10874  
progression of the project is significantly behind the schedule 10875  
submitted in the tax credit application. The director shall 10876  
rescind approval of a project that does not begin within ninety 10877  
days after the date the application is approved unless the 10878  
production company shows good cause for the delay, meaning that 10879  
the project was delayed due to unforeseeable circumstances 10880  
beyond the production company's control or due to action or 10881  
inaction by a government agency. 10882

(3) The director shall notify the production company upon 10883  
rescinding approval of a capital improvement project. Nothing in 10884  
this section prohibits the production company from reapplying 10885  
for approval of the same capital improvement project. 10886

(F) (1) A production company whose capital improvement 10887  
project is approved by the director of housing and development 10888

shall engage, at the company's expense, an independent certified 10889  
public accountant to examine the company's qualified 10890  
expenditures. Within ninety days after the director approves the 10891  
project or within ninety days after a project approved by the 10892  
director is complete, whichever is later, the certified public 10893  
accountant shall issue a report to the company and to the 10894  
director that includes all of the following: 10895

(a) The amount of the company's actual qualified 10896  
expenditures; 10897

(b) Completed copies of all accounting and auditing forms 10898  
required by the director in connection with the capital 10899  
improvement project; 10900

(c) An itemized review of all contract and expense items 10901  
of ten thousand dollars or more that are reported as qualified 10902  
expenditures; 10903

(d) An itemized review of at least one-half of the 10904  
contract and expense items of less than ten thousand dollars 10905  
that are reported as qualified expenditures, both in terms of 10906  
the total number of such contracts and items and the total 10907  
amount of qualified expenditures reported for such contracts and 10908  
items; 10909

(e) Certification that all goods and services reported as 10910  
qualified expenditures were purchased and consumed in this 10911  
state. 10912

(2) Upon receiving and examining the report, the director 10913  
may disallow any expenditure the director determines is not a 10914  
qualified expenditure. If the director disallows an expenditure, 10915  
the director shall issue a written notice to the production 10916  
company stating that the expenditure is disallowed and the 10917

reason for the disallowance. Upon examination of the report and 10918  
disallowance of any expenditures, the director shall determine 10919  
the production company's actual qualified expenditures for the 10920  
purpose of computing the amount of the credit. 10921

(3) Qualified expenditures reported by the production 10922  
company are subject to inspection and examination by the tax 10923  
commissioner or employees of the commissioner under section 10924  
5703.19 of the Revised Code and any other applicable law. Once 10925  
the qualified expenditures are finally determined under division 10926  
(F) (2) of this section, the credit amount is not subject to 10927  
adjustment unless the director determines an error was committed 10928  
in the computation of the credit amount. 10929

(G) After reviewing the report and making the 10930  
determination prescribed by division (F) of this section, the 10931  
director of housing and development shall issue a tax credit 10932  
certificate to the production company. The director, in 10933  
consultation with the tax commissioner, shall prescribe the form 10934  
and manner of issuing certificates. The director shall assign a 10935  
unique identifying number to each tax credit certificate and 10936  
shall record the certificate in a register devised and 10937  
maintained by the director for that purpose. The certificate 10938  
shall state the amount of the credit and the amount of the 10939  
qualified expenditures upon which the credit is based. Upon 10940  
issuance of a certificate, the director shall certify to the tax 10941  
commissioner the name of the production company to which the 10942  
certificate was issued, the amount of qualified expenditures 10943  
shown on the certificate, the amount of the credit, and any 10944  
other information required by the rules adopted to administer 10945  
this section. 10946

(H) The credit amount stated on the tax credit certificate 10947

shall equal the lesser of the following: 10948

(1) Twenty-five per cent of the production company's 10949  
actual qualified expenditures, as determined by the director of 10950  
housing and development under division (F) of this section; 10951

(2) The estimated credit amount specified in the 10952  
production company's tax credit application under division (B) 10953  
(5) of this section; 10954

(3) Five million dollars. 10955

(I) (1) A production company to which a tax credit 10956  
certificate is issued under division (H) of this section may 10957  
transfer the authority to claim all or a portion of the amount 10958  
of the tax credit the production company is authorized to claim 10959  
pursuant to that certificate under section 5726.59, 5747.67, or 10960  
5751.55 of the Revised Code to one or more other persons. Within 10961  
thirty days after a transfer under this division, the production 10962  
company shall submit the following information to the director 10963  
of housing and development, on a form prescribed by the 10964  
director: 10965

(a) Information necessary for the director to identify the 10966  
certificate that is the basis for the transfer; 10967

(b) The portion or amount of the tax credit transferred to 10968  
each transferee; 10969

(c) The portion or amount of the tax credit that the 10970  
production company retains the authority to claim; 10971

(d) The tax identification number of each transferee; 10972

(e) The date of the transfer; 10973

(f) Any other information required by the director; 10974



(g) Any information required by the tax commissioner. 10975

The director shall deliver a copy of any submission 10976  
received under division (I)(1) of this section to the tax 10977  
commissioner. 10978

(2) A transferee may not claim a credit under section 10979  
5726.59, 5747.67, or 5751.55 of the Revised Code unless and 10980  
until the transferring production company complies with division 10981  
(I)(1) of this section. A transferee may claim the transferred 10982  
amount of any credit or portion of a credit for the same taxable 10983  
year or tax period for which the transferring production company 10984  
was authorized to claim the credit or portion of a credit 10985  
pursuant to the certificate. A production company shall make no 10986  
transfer under division (I)(1) of this section after the last 10987  
day of the tax period or taxable year for which the production 10988  
company is required to claim the credit pursuant to the 10989  
certificate. 10990

A production company may make not more than one transfer 10991  
under division (I)(1) of this section for each tax credit 10992  
certificate, but pursuant to that transaction, may allocate the 10993  
authority to claim a portion of the credit to more than one 10994  
transferee. A production company may not authorize more than one 10995  
transferee to claim the same portion of a credit. No transferee 10996  
may transfer the right to claim the credit to another person. 10997

(J) The director of housing and development, in 10998  
consultation with the tax commissioner, shall adopt rules in 10999  
accordance with Chapter 119. of the Revised Code for the 11000  
administration of this section, including rules setting forth 11001  
and governing the criteria for reporting sufficient evidence of 11002  
reviewable progress; expenditures that are qualified 11003  
expenditures; a schedule and deadlines for applications to be 11004

submitted and reviewed; a competitive process for approving 11005  
credits based on likely economic impact and development of a 11006  
permanent workforce in motion picture or theatrical production 11007  
industries; and consideration of geographic distribution of 11008  
credits. 11009

To cover the administrative costs of the program, the 11010  
director shall require each applicant to pay an application fee 11011  
equal to the lesser of ten thousand dollars or one per cent of 11012  
the estimated value of the tax credit as stated in the 11013  
application. The fees collected shall be credited to the tax 11014  
incentives operating fund created in section 122.174 of the 11015  
Revised Code. 11016

**Sec. 122.86.** (A) As used in this section and section 11017  
5747.81 of the Revised Code: 11018

(1) "Small business enterprise" means a corporation, pass- 11019  
through entity, or other person satisfying all of the following: 11020

(a) At the time of a qualifying investment, the enterprise 11021  
meets all of the following requirements: 11022

(i) Has no outstanding tax or other liabilities owed to 11023  
the state; 11024

(ii) Is in good standing with the secretary of state, if 11025  
the enterprise is required to be registered with the secretary; 11026

(iii) Is current with any court-ordered payments; 11027

(iv) Is not engaged in any illegal activity. 11028

(b) At the time of a qualifying investment, the 11029  
enterprise's assets according to generally accepted accounting 11030  
principles do not exceed fifty million dollars, or its annual 11031  
sales do not exceed ten million dollars. When making this 11032

determination, the assets and annual sales of all of the 11033  
enterprise's related or affiliated entities shall be included in 11034  
the calculation. 11035

(c) At the time of a qualifying investment and for the 11036  
two-year period immediately preceding the qualifying investment, 11037  
the enterprise employs at least fifty full-time equivalent 11038  
employees in this state for whom the enterprise is required to 11039  
withhold income tax under section 5747.06 of the Revised Code, 11040  
or more than one-half the enterprise's total number of full-time 11041  
equivalent employees employed anywhere in the United States are 11042  
employed in this state and are subject to that withholding 11043  
requirement. 11044

(d) The enterprise, within six months after an eligible 11045  
investor's qualifying investment is made, incurs cost for one or 11046  
more of the following: 11047

(i) Tangible personal property, other than motor vehicles 11048  
operated on public roads and highways, used in business and 11049  
physically located in this state from the time of its 11050  
acquisition by the enterprise until the end of the investor's 11051  
holding period, including the installation of such tangible 11052  
personal property; 11053

(ii) Motor vehicles operated on public roads and highways 11054  
if, from the time of acquisition by the enterprise until the end 11055  
of the investor's holding period, the motor vehicles are 11056  
purchased in this state, registered in this state under Chapter 11057  
4503. of the Revised Code, are used primarily for business 11058  
purposes, and are necessary for the operation of the 11059  
enterprise's business; 11060

(iii) Real property located in this state that is used in 11061

the business from the time of its acquisition by the enterprise 11062  
until the end of the holding period; 11063

(iv) Leasehold improvements and construction costs for 11064  
property located in this state that is used in the business from 11065  
the time its improvement or construction was completed until the 11066  
end of the holding period; 11067

(v) Compensation for new employees of the enterprise hired 11068  
after the date the qualifying investment is made for whom the 11069  
enterprise is required to withhold income tax under section 11070  
5747.06 of the Revised Code. 11071

(2) "Qualifying investment" means an investment of money 11072  
made on or after July 1, 2019, to acquire capital stock or other 11073  
equity interest in a small business enterprise. "Qualifying 11074  
investment" does not include either of the following: 11075

(a) Any investment of money an eligible investor derives, 11076  
directly or indirectly, from a grant or loan from the federal 11077  
government or the state or a political subdivision, including 11078  
the third frontier program under Chapter 184. of the Revised 11079  
Code; 11080

(b) Any investment of money which is the basis of a tax 11081  
credit granted under any other section of the Revised Code. 11082

(3) "Eligible investor" means an individual, estate, or 11083  
trust subject to the tax imposed by section 5747.02 of the 11084  
Revised Code, or a pass-through entity in which such an 11085  
individual, estate, or trust holds a direct or indirect 11086  
ownership or other equity interest. To qualify as an eligible 11087  
investor, the individual, estate, trust, or pass-through entity 11088  
shall not owe any outstanding tax or other liability to the 11089  
state at the time of a qualifying investment. 11090

(4) "Holding period" means the two-year period beginning 11091  
on the day a qualifying investment is made. 11092

(5) "Pass-through entity" has the same meaning as in 11093  
section 5733.04 of the Revised Code. 11094

(B) An eligible investor that makes a qualifying 11095  
investment in a small business enterprise on or after July 1, 11096  
2019, may apply to the director of housing and development 11097  
~~services~~ to obtain an allocation for a small business investment 11098  
certificate from the director. Alternatively, a small business 11099  
enterprise may apply on behalf of eligible investors to obtain 11100  
the allocation for those investors. The application must be 11101  
submitted to the director within sixty days after the date of 11102  
the qualifying investment, but within the same biennium as the 11103  
qualifying investment. The director, in consultation with the 11104  
tax commissioner, shall prescribe the form or manner in which an 11105  
applicant shall apply for the certificate, devise the form of 11106  
the certificate, and prescribe any records or other information 11107  
an applicant shall furnish with the application to evidence the 11108  
qualifying investment. The applicant shall pay an application 11109  
fee equal to the greater of one-tenth of one per cent of the 11110  
amount of the intended investment or one hundred dollars. 11111

The director of housing and development ~~services~~ may 11112  
reserve small business investment allocations to qualifying 11113  
applicants in the order in which the director receives 11114  
applications. An application is completed when the director has 11115  
validated that an eligible investor has made a qualified 11116  
investment and receives all required documentation needed to 11117  
demonstrate the small business enterprise satisfies the 11118  
requirements of division (A) (1) of this section. To qualify for 11119  
an allocation, an eligible investor must satisfy both of the 11120

following, subject to the limitation on the amount of qualifying 11121  
investments for which allocations may be issued under division 11122  
(C) of this section: 11123

(1) The eligible investor makes a qualifying investment on 11124  
or after July 1, 2019. 11125

(2) The eligible investor pledges not to sell or otherwise 11126  
dispose of the qualifying investment before the conclusion of 11127  
the applicable holding period. 11128

(C) (1) The amount of any eligible investor's qualifying 11129  
investments for which small business investment allocations may 11130  
be issued for a fiscal biennium shall not exceed ten million 11131  
dollars. 11132

(2) The director of housing and development ~~services~~ shall 11133  
not issue a small business investment allocation to an eligible 11134  
investor representing an amount of qualifying investment in 11135  
excess of the amount of the investment indicated on the 11136  
investor's application. 11137

(3) For any fiscal biennium beginning before July 1, 2019, 11138  
the director of housing and development ~~services~~ shall not issue 11139  
small business investment allocations in a total amount that 11140  
would cause the tax credits claimed in that biennium to exceed 11141  
one hundred million dollars. For any fiscal biennium beginning 11142  
on or after July 1, 2019, the director shall not issue small 11143  
business investment allocations in a total amount that would 11144  
cause the tax credits claimed in that biennium to exceed fifty 11145  
million dollars. 11146

(4) The director of housing and development ~~services~~ may 11147  
issue a small business investment allocation only if both of the 11148  
following apply at the time of issuance: 11149

(a) The small business enterprise meets all the 11150  
requirements listed in divisions (A) (1) (a) (i) to (iv) of this 11151  
section; 11152

(b) The eligible investor does not owe any outstanding tax 11153  
or other liability to the state. 11154

(5) The director shall not issue a small business 11155  
investment allocation on the basis of any investment for which 11156  
an Ohio opportunity zone investment certificate has been issued 11157  
under section 122.84 of the Revised Code. 11158

(D) Before the end of the applicable holding period of a 11159  
qualifying investment, each enterprise in which a qualifying 11160  
investment was made for which a small business investment 11161  
allocation has been issued, upon the request of the director of 11162  
housing and development~~services~~, shall provide to the director 11163  
records or other evidence satisfactory to the director that the 11164  
enterprise is a small business enterprise for the purposes of 11165  
this section. Each enterprise shall also provide annually to the 11166  
director records or evidence regarding the number of jobs 11167  
created or retained in the state. The director shall compile and 11168  
maintain a register of small business enterprises qualifying 11169  
under this section and shall certify the register to the tax 11170  
commissioner. The director shall also compile and maintain a 11171  
record of the number of jobs created or retained as a result of 11172  
qualifying investments made pursuant to this section. 11173

(E) After the conclusion of the applicable holding period 11174  
for a qualifying investment, a person to whom a small business 11175  
investment allocation has been issued under this section shall 11176  
receive a small business investment certification, which 11177  
entitles the person to claim a credit as provided under section 11178  
5747.81 of the Revised Code. However, no certificate may be 11179

issued if the director finds that any requirement under this 11180  
section is not met. 11181

(F) The director of housing and development~~services~~, in 11182  
consultation with the tax commissioner, may adopt rules for the 11183  
administration of this section, including rules governing the 11184  
following: 11185

(1) Documents, records, or other information eligible 11186  
investors shall provide to the director; 11187

(2) Any information a small business enterprise shall 11188  
provide for the purposes of this section and section 5747.81 of 11189  
the Revised Code; 11190

(3) Determination of the number of full-time equivalent 11191  
employees of a small business enterprise; 11192

(4) Verification of a small business enterprise's 11193  
investment; 11194

(5) Circumstances under which small business enterprises 11195  
or eligible investors may be subverting the purposes of this 11196  
section and section 5747.81 of the Revised Code. 11197

(G) Application fees paid under division (B) of this 11198  
section shall be credited to the tax incentives operating fund 11199  
created in section 122.174 of the Revised Code. 11200

**Sec. 122.88.** (A) There is hereby created in the state 11201  
treasury the minority business bonding fund, consisting of 11202  
moneys deposited or credited to it pursuant to section 169.05 of 11203  
the Revised Code; all grants, gifts, and contributions received 11204  
pursuant to division (B) (9) of section 122.74 of the Revised 11205  
Code; all moneys recovered following defaults; and any other 11206  
moneys obtained by the director of housing and development for 11207



the purposes of sections 122.87 to 122.90 of the Revised Code. 11208  
The fund shall be administered by the director. Moneys in the 11209  
fund shall be held in trust for the purposes of sections 122.87 11210  
to 122.90 of the Revised Code. 11211

(B) Any claims against the state arising from defaults 11212  
shall be payable from the minority business bonding program 11213  
administrative and loss reserve fund as provided in division (C) 11214  
of this section or from the minority business bonding fund. 11215  
Nothing in sections 122.87 to 122.90 of the Revised Code grants 11216  
or pledges to any obligee or other person any state moneys other 11217  
than the moneys in the minority business bonding program 11218  
administrative and loss reserve fund or the minority business 11219  
bonding fund, or moneys available to the minority business 11220  
bonding fund upon request of the director in accordance with 11221  
division (B) of section 169.05 of the Revised Code. 11222

(C) There is hereby created in the state treasury the 11223  
minority business bonding program administrative and loss 11224  
reserve fund, consisting of all premiums charged and collected 11225  
in accordance with section 122.89 of the Revised Code and any 11226  
interest income earned from the moneys in the minority business 11227  
bonding fund. All expenses of the director and the minority 11228  
development financing advisory board in carrying out the 11229  
purposes of sections 122.87 to 122.90 of the Revised Code shall 11230  
be paid from the minority business bonding program 11231  
administrative and loss reserve fund. 11232

Any moneys to the credit of the minority business bonding 11233  
program administrative and loss reserve fund in excess of the 11234  
amount necessary to fund the appropriation authority for the 11235  
minority business bonding program administrative and loss 11236  
reserve fund shall be held as a loss reserve to pay claims 11237

arising from defaults on surety bonds underwritten in accordance 11238  
with section 122.89 of the Revised Code or guaranteed in 11239  
accordance with section 122.90 of the Revised Code. If the 11240  
balance of funds in the minority business bonding program 11241  
administrative and loss reserve fund is insufficient to pay a 11242  
claim against the state arising from default, then such claim 11243  
shall be payable from the minority business bonding fund. 11244

**Sec. 122.89.** (A) The director of housing and development 11245  
may execute bonds as surety for minority businesses as 11246  
principals, on contracts with the state, any political 11247  
subdivision or instrumentality thereof, or any person as the 11248  
obligee. The director as surety may exercise all the rights and 11249  
powers of a company authorized by the department of insurance to 11250  
execute bonds as surety but shall not be subject to any 11251  
requirements of a surety company under Title XXXIX of the 11252  
Revised Code nor to any rules of the department of insurance. 11253

(B) The director, with the advice of the minority 11254  
development financing advisory board, shall adopt rules under 11255  
Chapter 119. of the Revised Code establishing procedures for 11256  
application for surety bonds by minority businesses and for 11257  
review and approval of applications. The board shall review each 11258  
application in accordance with the rules and, based on the bond 11259  
worthiness of each applicant, shall refer all qualified 11260  
applicants to the director. Based on the recommendation of the 11261  
board, the director shall determine whether or not the applicant 11262  
shall receive bonding. 11263

(C) The rules of the board shall require the minority 11264  
business to pay a premium in advance for the bond to be 11265  
established by the director, with the advice of the board after 11266  
the director receives advice from the superintendent of 11267

insurance regarding the standard market rates for premiums for 11268  
similar bonds. All premiums paid by minority businesses shall be 11269  
paid into the minority business bonding program administrative 11270  
and loss reserve fund. 11271

(D) The rules of the board shall provide for a retainage 11272  
of money paid to the minority business or EDGE business 11273  
enterprise of fifteen per cent for a contract valued at more 11274  
than fifty thousand dollars and for a retainage of twelve per 11275  
cent for a contract valued at fifty thousand dollars or less. 11276

(E) The penal sum amounts of all outstanding bonds issued 11277  
by the director shall not exceed the amount of moneys in the 11278  
minority business bonding fund and available to the fund under 11279  
division (B) of section 169.05 of the Revised Code. 11280

(F) The superintendent of insurance shall provide such 11281  
technical and professional assistance as is considered necessary 11282  
by the director, including providing advice regarding the 11283  
standard market rates for bond premiums as described under 11284  
division (C) of this section. 11285

(G) Notwithstanding any provision of the Revised Code to 11286  
the contrary, a minority business or EDGE business enterprise 11287  
may bid or enter into a contract with the state or with any 11288  
instrumentality of the state without being required to provide a 11289  
bond as follows: 11290

(1) For the first contract that a minority business or 11291  
EDGE business enterprise enters into with the state or with any 11292  
particular instrumentality of the state, the minority business 11293  
or EDGE business enterprise may bid or enter into a contract 11294  
valued at twenty-five thousand dollars or less without being 11295  
required to provide a bond, but only if the minority business or 11296

EDGE business enterprise is participating in a qualified 11297  
contractor assistance program or has successfully completed a 11298  
qualified contractor assistance program after October 16, 2009; 11299

(2) After the state or any particular instrumentality of 11300  
the state has accepted the first contract as completed and all 11301  
subcontractors and suppliers on the contract have been paid, the 11302  
minority business or EDGE business enterprise may bid or enter 11303  
into a second contract with the state or with that particular 11304  
instrumentality of the state valued at fifty thousand dollars or 11305  
less without being required to provide a bond, but only if the 11306  
minority business or EDGE business enterprise is participating 11307  
in a qualified contractor assistance program or has successfully 11308  
completed a qualified contractor assistance program after 11309  
October 16, 2009; 11310

(3) After the state or any particular instrumentality of 11311  
the state has accepted the second contract as completed and all 11312  
subcontractors and suppliers on the contract have been paid, the 11313  
minority business or EDGE business enterprise may bid or enter 11314  
into a third contract with the state or with that particular 11315  
instrumentality of the state valued at one hundred thousand 11316  
dollars or less without being required to provide a bond, but 11317  
only if the minority business or EDGE business enterprise has 11318  
successfully completed a qualified contractor assistance program 11319  
after October 16, 2009; 11320

(4) After the state or any particular instrumentality of 11321  
the state has accepted the third contract as completed and all 11322  
subcontractors and suppliers on the contract have been paid, the 11323  
minority business or EDGE business enterprise may bid or enter 11324  
into a fourth contract with the state or with that particular 11325  
instrumentality of the state valued at three hundred thousand 11326

dollars or less without being required to provide a bond, but 11327  
only if the minority business or EDGE business enterprise has 11328  
successfully completed a qualified contractor assistance program 11329  
after October 16, 2009; 11330

(5) After the state or any instrumentality of the state 11331  
has accepted the fourth contract as completed and all 11332  
subcontractors and suppliers on the contract have been paid, 11333  
upon a showing that with respect to a contract valued at four 11334  
hundred thousand dollars or less with the state or with any 11335  
particular instrumentality of the state, that the minority 11336  
business or EDGE business enterprise either has been denied a 11337  
bond by two surety companies or that the minority business or 11338  
EDGE business enterprise has applied to two surety companies for 11339  
a bond and, at the expiration of sixty days after making the 11340  
application, has neither received nor been denied a bond, the 11341  
minority business or EDGE business enterprise may repeat its 11342  
participation in the unbonded state contractor program. Under no 11343  
circumstances shall a minority business or EDGE business 11344  
enterprise be permitted to participate in the unbonded state 11345  
contractor program more than twice. 11346

(H) Notwithstanding any provision of the Revised Code to 11347  
the contrary, a minority business or EDGE business enterprise 11348  
may bid or enter into a contract with any political subdivision 11349  
of the state or with any instrumentality of a political 11350  
subdivision without being required to provide a bond as follows: 11351

(1) For the first contract that the minority business or 11352  
EDGE business enterprise enters into with any particular 11353  
political subdivision of the state or with any particular 11354  
instrumentality of a political subdivision, the minority 11355  
business or EDGE business enterprise may bid or enter into a 11356

contract valued at twenty-five thousand dollars or less without 11357  
being required to provide a bond, but only if the minority 11358  
business or EDGE business enterprise is participating in a 11359  
qualified contractor assistance program or has successfully 11360  
completed a qualified contractor assistance program after 11361  
October 16, 2009; 11362

(2) After any political subdivision of the state or any 11363  
instrumentality of a political subdivision has accepted the 11364  
first contract as completed and all subcontractors and suppliers 11365  
on the contract have been paid, the minority business or EDGE 11366  
business enterprise may bid or enter into a second contract with 11367  
that particular political subdivision of the state or with that 11368  
particular instrumentality of a political subdivision valued at 11369  
fifty thousand dollars or less without being required to provide 11370  
a bond, but only if the minority business or EDGE business 11371  
enterprise is participating in a qualified contractor assistance 11372  
program or has successfully completed a qualified contractor 11373  
assistance program after October 16, 2009; 11374

(3) After any political subdivision of the state or any 11375  
instrumentality of a political subdivision has accepted the 11376  
second contract as completed and all subcontractors and 11377  
suppliers on the contract have been paid, the minority business 11378  
or EDGE business enterprise may bid or enter into a third 11379  
contract with that particular political subdivision of the state 11380  
or with that particular instrumentality of a political 11381  
subdivision valued at one hundred thousand dollars or less 11382  
without being required to provide a bond, but only if the 11383  
minority business or EDGE business enterprise has successfully 11384  
completed a qualified contractor assistance program after 11385  
October 16, 2009; 11386

(4) After any political subdivision of the state or any 11387  
instrumentality of a political subdivision has accepted the 11388  
third contract as completed and all subcontractors and suppliers 11389  
on the contract have been paid, the minority business or EDGE 11390  
business enterprise may bid or enter into a fourth contract with 11391  
that particular political subdivision of the state or with that 11392  
particular instrumentality of a political subdivision valued at 11393  
two hundred thousand dollars or less without being required to 11394  
provide a bond, but only if the minority business or EDGE 11395  
business enterprise has successfully completed a qualified 11396  
contractor assistance program after October 16, 2009; 11397

(5) After any political subdivision of the state or any 11398  
instrumentality of a political subdivision has accepted the 11399  
fourth contract as completed and all subcontractors and 11400  
suppliers on the contract have been paid, upon a showing that 11401  
with respect to a contract valued at three hundred thousand 11402  
dollars or less with any political subdivision of the state or 11403  
any instrumentality of a political subdivision, that the 11404  
minority business or EDGE business enterprise either has been 11405  
denied a bond by two surety companies or that the minority 11406  
business or EDGE business enterprise has applied to two surety 11407  
companies for a bond and, at the expiration of sixty days after 11408  
making the application, has neither received nor been denied a 11409  
bond, the minority business or EDGE business enterprise may 11410  
repeat its participation in the unbonded political subdivision 11411  
contractor program. Under no circumstances shall a minority 11412  
business or EDGE business enterprise be permitted to participate 11413  
in the unbonded political subdivision contractor program more 11414  
than twice. 11415

(I) Notwithstanding any provision of the Revised Code to 11416  
the contrary, if a minority business or EDGE business enterprise 11417

has entered into two or more contracts with the state or with 11418  
any instrumentality of the state, the minority business or EDGE 11419  
business enterprise may bid or enter into a contract with a 11420  
political subdivision of the state or with any instrumentality 11421  
of a political subdivision valued at the level at which the 11422  
minority business or EDGE business enterprise would qualify if 11423  
entering into an additional contract with the state. 11424

(J) The director of housing and development shall 11425  
coordinate and oversee the unbonded state contractor program 11426  
described in division (G) of this section, the unbonded 11427  
political subdivision contractor program described in division 11428  
(H) of this section, and the approval of a qualified contractor 11429  
assistance program. The director shall prepare an annual report 11430  
and submit it to the governor and the general assembly on or 11431  
before the first day of August that includes the following: 11432  
information on the director's activities for the preceding 11433  
calendar year regarding the unbonded state contractor program, 11434  
the unbonded political subdivision contractor program, and the 11435  
qualified contractor assistance program; a summary and 11436  
description of the operations and activities of these programs; 11437  
an assessment of the achievements of these programs; and a 11438  
recommendation as to whether these programs need to continue. 11439

(K) As used in this section: 11440

(1) "EDGE business enterprise" means an EDGE business 11441  
enterprise certified under section 122.922 of the Revised Code. 11442

(2) "Qualified contractor assistance program" means an 11443  
educational program or technical assistance program for business 11444  
development that is designed to assist a minority business or 11445  
EDGE business enterprise in becoming eligible for bonding and 11446  
has been approved by the director of housing and development for 11447



use as required under this section. 11448

(3) "Successfully completed a qualified contractor 11449  
assistance program" means the minority business or EDGE business 11450  
enterprise completed such a program on or after October 16, 11451  
2009. 11452

(4) "Unbonded state contractor program" means the program 11453  
described in division (G) of this section. 11454

(5) "Unbonded political subdivision contractor program" 11455  
means the program described in division (H) of this section. 11456

**Sec. 122.90.** (A) The director of housing and development 11457  
may guarantee bonds executed by sureties for minority businesses 11458  
and EDGE business enterprises certified under section 122.922 of 11459  
the Revised Code as principals on contracts with the state, any 11460  
political subdivision or instrumentality, or any person as the 11461  
obligee. The director, as guarantor, may exercise all the rights 11462  
and powers of a company authorized by the department of 11463  
insurance to guarantee bonds under Chapter 3929. of the Revised 11464  
Code but otherwise is not subject to any laws related to a 11465  
guaranty company under Title XXXIX of the Revised Code nor to 11466  
any rules of the department of insurance. 11467

(B) The director shall adopt rules under Chapter 119. of 11468  
the Revised Code to establish procedures for the application for 11469  
bond guarantees and the review and approval of applications for 11470  
bond guarantees submitted by sureties that execute bonds 11471  
eligible for guarantees under division (A) of this section. 11472

(C) In accordance with rules adopted pursuant to this 11473  
section, the director may guarantee up to ninety per cent of the 11474  
loss incurred and paid by sureties on bonds guaranteed under 11475  
division (A) of this section. 11476

(D) The penal sum amounts of all outstanding guarantees 11477  
made by the director under this section shall not exceed three 11478  
times the difference between the amount of moneys in the 11479  
minority business bonding fund and available to the fund under 11480  
division (B) of section 169.05 of the Revised Code and the 11481  
amount of all outstanding bonds issued by the director in 11482  
accordance with division (A) of section 122.89 of the Revised 11483  
Code. 11484

(E) The director of housing and development, with 11485  
controlling board approval, may approve one application per 11486  
fiscal year from each surety bond company for bond guarantees in 11487  
an amount requested to support one fiscal year of that company's 11488  
activity under this section. A surety bond company that applies 11489  
for a bond guarantee under this division, whether or not the 11490  
guarantee is approved, is not restricted from also applying for 11491  
individual bond guarantees under division (A) of this section. 11492

**Sec. 122.91.** (A) As used in this section: 11493

(1) "Qualifying individual" means an individual who holds 11494  
a valid commercial driver's license or who is eligible to obtain 11495  
such a license. 11496

(2) "Commercial driver's license" and "commercial motor 11497  
vehicle" have the same meanings as in section 4506.01 of the 11498  
Revised Code. 11499

(3) "Training expense" means any cost customarily incurred 11500  
by an employer to train an employee who is a qualifying 11501  
individual to obtain a commercial driver's license or to operate 11502  
a commercial motor vehicle. "Training expense" shall not include 11503  
such an employee's wages. 11504

(4) "Tax credit-eligible training expense" means any 11505

training expense certified under division (B) of this section. 11506

(5) "Director" means the director of housing and 11507  
development. 11508

(B) (1) For calendar years 2023 through 2026, an employer 11509  
may apply to the director, on or before the first day of 11510  
December of each year and on a form prescribed by the director, 11511  
to certify training expenses that an employer estimates the 11512  
employer will incur during the following calendar year as tax 11513  
credit-eligible training expenses. Within thirty days after 11514  
receiving such an application, the director shall certify to 11515  
each applicant the amount of the applicant's submitted expenses 11516  
the director finds to be tax credit-eligible training expenses. 11517  
The director shall not certify more than fifty thousand dollars 11518  
of training expenses per year as tax credit-eligible training 11519  
expenses for any employer. 11520

(2) The director shall not certify more than three million 11521  
dollars in tax credit-eligible training expenses for each 11522  
calendar year, increased by the sum of tax credit-eligible 11523  
expenses the director was authorized to certify within the limit 11524  
described in division (B) (2) of this section for preceding years 11525  
that were not the basis of a tax credit certificate issued under 11526  
division (C) (2) of this section in the current year or any 11527  
preceding year. 11528

(C) (1) An employer that incurs tax credit-eligible 11529  
training expenses in a calendar year that were certified for 11530  
that year under division (B) of this section may apply to the 11531  
director for a nonrefundable credit against the tax imposed by 11532  
section 5747.02 of the Revised Code. The credit shall equal one- 11533  
half of the tax credit-eligible training expenses actually 11534  
incurred by the employer in, and certified for, the preceding 11535

calendar year. The application may be submitted after the first 11536  
day and before the twenty-first day of January of the year 11537  
following the year for which the director certified the 11538  
expenses. The application shall be submitted on a form 11539  
prescribed by the director and shall, at a minimum, include an 11540  
itemized list of tax credit-eligible training expenses incurred 11541  
by the employer for each employee and the identities of those 11542  
employees. 11543

(2) If the director approves an application described in 11544  
division (C) (1) of this section, the director, within sixty days 11545  
after receipt of the application, shall issue a tax credit 11546  
certificate to the applicant. The director in consultation with 11547  
the tax commissioner shall prescribe the form and manner of 11548  
issuing certificates. The director shall assign a unique 11549  
identifying number to each tax credit certificate and shall 11550  
record the certificate in a register devised and maintained by 11551  
the director for that purpose. The certificate shall state the 11552  
amount of the tax credit-eligible training expenses on which the 11553  
credit is based, the amount of the credit, and the date the 11554  
certificate is issued. Upon issuance of a certificate, the 11555  
director shall certify to the tax commissioner the name of the 11556  
applicant, the amount of tax credit-eligible training expenses 11557  
stated on the certificate, and any other information required by 11558  
the rules adopted under this section. 11559

(D) (1) An employer that has been issued a tax credit 11560  
certificate under division (C) (2) of this section during the 11561  
preceding calendar year shall file a form with the director 11562  
identifying all employees, the training of which is the basis of 11563  
that tax credit, whose employment with the employer was 11564  
terminated during the preceding calendar year, the amount of the 11565  
tax credit that is attributable to those employees, and any 11566

other information requested by the director. The form shall be 11567  
prescribed by the director, and shall be filed on or before the 11568  
twenty-first day of January of the year following the issuance 11569  
year stated on the certificate. 11570

(2) The director shall annually submit to the general 11571  
assembly a report in accordance with division (B) of section 11572  
101.68 of the Revised Code that includes the total number of 11573  
employees described in division (D) (1) of this section and 11574  
reported to the director for the preceding calendar year, the 11575  
total amount of tax credits attributable to those employees, and 11576  
any other information the director finds pertinent. 11577

(E) The director in consultation with the tax commissioner 11578  
shall adopt rules under Chapter 119. of the Revised Code for the 11579  
administration of this section. Such rules shall set forth any 11580  
applicable fees, any penalties for noncompliance with the 11581  
reporting requirements prescribed in division (D) of this 11582  
section, and the types of expenses that qualify as training 11583  
expenses for purposes of this section. 11584

**Sec. 122.92.** There is hereby created in the department of 11585  
housing and development a minority business development 11586  
division. The division shall do all of the following: 11587

(A) Provide technical, managerial, and counseling services 11588  
and assistance to minority business enterprises; 11589

(B) Provide procurement and bid packaging assistance to 11590  
minority business enterprises; 11591

(C) Provide bonding technical assistance to minority 11592  
business enterprises; 11593

(D) Participate with other state departments and agencies 11594  
as appropriate in developing specific plans and specific program 11595

goals for programs to assist in the establishment and 11596  
development of minority business enterprises and establish 11597  
regular performance monitoring and reporting systems to ensure 11598  
that those goals are being achieved; 11599

(E) Implement state law and policy supporting minority 11600  
business enterprise development, and assist in the coordination 11601  
of plans, programs, and operations of state government which 11602  
affect or may contribute to the establishment, preservation, and 11603  
strengthening of minority business enterprises; 11604

(F) Assist in the coordination of activities and resources 11605  
of state agencies and local governments, business and trade 11606  
associations, universities, foundations, professional 11607  
organizations, and volunteer and other groups, to promote the 11608  
growth of minority business enterprises; 11609

(G) Establish a center for the development, collection, 11610  
and dissemination of information that will be helpful to persons 11611  
in establishing or expanding minority business enterprises in 11612  
this state; 11613

(H) Design, implement, and assist in experimental and 11614  
demonstration projects designed to overcome the special problems 11615  
of minority business enterprises; 11616

(I) Coordinate reviews of all proposed state training and 11617  
technical assistance activities in direct support of minority 11618  
business enterprise programs to ensure consistency with program 11619  
goals and to preclude duplication of efforts by other state 11620  
agencies; 11621

(J) Recommend appropriate legislative or executive actions 11622  
to enhance minority business enterprise opportunities in the 11623  
state; 11624

(K) Assist minority business enterprises in obtaining 11625  
governmental or commercial financing for business expansion, 11626  
establishment of new businesses, or industrial development 11627  
projects; 11628

(L) Assist minority business enterprises in contract 11629  
procurement from government and commercial sources; 11630

(M) Establish procedures to identify groups who have been 11631  
disadvantaged because of racial, cultural, or ethnic 11632  
circumstances without regard to the individual qualities of the 11633  
members of the group; 11634

(N) Establish procedures to identify persons who have been 11635  
economically disadvantaged; 11636

(O) Provide grant assistance to nonprofit entities that 11637  
promote economic development, development corporations, 11638  
community improvement corporations, and incubator business 11639  
entities, if the entities or corporations focus on business, 11640  
technical, and financial assistance to minority business 11641  
enterprises to assist the enterprises with fixed asset 11642  
financing; 11643

(P) Implement the minority business enterprise program 11644  
described in section 122.921 of the Revised Code, the 11645  
encouraging diversity, growth, and equity program described in 11646  
section 122.922 of the Revised Code, the women-owned business 11647  
enterprise program described in section 122.924 of the Revised 11648  
Code, and the veteran-friendly business enterprise program 11649  
described in section 122.925 of the Revised Code. 11650

(Q) Do all acts and things necessary or proper to carry 11651  
out the powers expressly granted and duties imposed by sections 11652  
122.92 to 122.94 of the Revised Code. 11653

**Sec. 122.921.** (A) As used in this section, "minority  
business enterprise" has the same meaning as in division (E) (1)  
of section 122.71 of the Revised Code.

(B) (1) The director of housing and development shall make  
rules in accordance with Chapter 119. of the Revised Code  
establishing procedures by which minority businesses may apply  
to the department of housing and development for certification  
as minority business enterprises.

(2) The director shall approve the application of any  
minority business enterprise that complies with the rules  
adopted under this division. Any person adversely affected by an  
order of the director denying certification as a minority  
business enterprise may appeal as provided in Chapter 119. of  
the Revised Code. The director shall prepare and maintain a list  
of certified minority business enterprises.

(C) Every state agency authorized to enter into contracts  
for construction or contracts for purchases of equipment,  
materials, supplies, insurance, or services, and every port  
authority shall file a report every ninety days with the  
department of housing and development. The report shall be filed  
at a time and in a form prescribed by the director of housing  
and development. The report shall include the name of each  
minority business enterprise that the state agency or port  
authority entered into a contract with during the preceding  
ninety-day period and the total value and type of each such  
contract. No later than thirty days after the end of each fiscal  
year, the director shall notify in writing each state agency and  
port authority that has not complied with the reporting  
requirements of this division for the prior fiscal year. A copy  
of this notification regarding a state agency shall be submitted



to the director of budget and management. No later than thirty 11684  
days after the notification, the state agency or port authority 11685  
shall submit to the director the information necessary to comply 11686  
with the reporting requirements of this division. 11687

If, after the expiration of this thirty-day period, a 11688  
state agency has not complied with the reporting requirements of 11689  
this division, the director of housing and development shall 11690  
certify to the director of budget and management that the state 11691  
agency has not complied with the reporting requirements. A copy 11692  
of this certification shall be submitted to the state agency. 11693  
Thereafter, no funds of the state agency shall be expended 11694  
during the fiscal year for construction or purchases of 11695  
equipment, materials, supplies, contracts of insurance, or 11696  
services until the director of housing and development certifies 11697  
to the director of budget and management that the state agency 11698  
has complied with the reporting requirements of this division 11699  
for the prior fiscal year. 11700

If any port authority has not complied with the reporting 11701  
requirement after the expiration of the thirty-day period, the 11702  
director of housing and development shall certify to the speaker 11703  
of the house of representatives and the president of the senate 11704  
that the port authority has not complied with the reporting 11705  
requirements of this division. A copy of this certification 11706  
shall be submitted to the port authority. Upon receipt of the 11707  
certification, the speaker of the house of representatives and 11708  
the president of the senate shall take such action or make such 11709  
recommendations to the members of the general assembly as they 11710  
consider necessary to correct the situation. 11711

(D) (1) Any person who has been certified as a minority 11712  
business enterprise under this section may present the person's 11713

certification to a political subdivision as evidence that that 11714  
person is eligible to participate in any public initiatives or 11715  
strategies that the political subdivision has established to 11716  
increase minority participation, representation, or inclusion in 11717  
business opportunities, and in any programs the political 11718  
subdivision may have that set aside a certain amount of public 11719  
contracts to award to any of the economically disadvantaged 11720  
groups listed in division (E) (1) of section 122.71 of the 11721  
Revised Code. 11722

(2) When considering this evidence, a political 11723  
subdivision shall defer to the department's determination that 11724  
the person is both of the following: 11725

(a) A member of the economically disadvantaged group 11726  
indicated on the certification; 11727

(b) An owner of at least fifty-one per cent of the 11728  
business, including corporate stock if a corporation, and has 11729  
control over the management and day-to-day operations of the 11730  
business and an interest in the capital, assets, and profits and 11731  
losses of the business proportionate to the person's percentage 11732  
of ownership. 11733

**Sec. 122.922.** (A) As used in this section, "EDGE business 11734  
enterprise" means a sole proprietorship, association, 11735  
partnership, corporation, limited liability corporation, or 11736  
joint venture certified as a participant in the encouraging 11737  
diversity, growth, and equity program by the director of housing 11738  
and development under this section of the Revised Code. 11739

(B) The director of housing and development shall 11740  
establish a business assistance program known as the encouraging 11741  
diversity, growth, and equity program and shall adopt rules in 11742

accordance with Chapter 119. of the Revised Code to administer 11743  
the program that do all of the following: 11744

(1) Establish procedures by which a sole proprietorship, 11745  
association, partnership, corporation, limited liability 11746  
corporation, or joint venture may apply for certification as an 11747  
EDGE business enterprise; 11748

(2) Except as provided in division (B) (14) of this 11749  
section, establish agency procurement goals for contracting with 11750  
EDGE business enterprises in the award of contracts under 11751  
Chapters 123., 125., and 153. of the Revised Code based on the 11752  
availability of eligible program participants by region or 11753  
geographic area, as determined by the director, and by standard 11754  
industrial code or equivalent code classification. 11755

(a) Goals established under division (B) (2) of this 11756  
section shall be based on a percentage level of participation 11757  
and a percentage of contractor availability. 11758

(b) Goals established under division (B) (2) of this 11759  
section shall be applied at the contract level, relative to an 11760  
overall dollar goal for each state agency, in accordance with 11761  
the following certification categories: construction, 11762  
architecture, and engineering; professional services; goods and 11763  
services; and information technology services. 11764

(3) Establish a system of certifying EDGE business 11765  
enterprises based on a requirement that the business owner or 11766  
owners show both social and economic disadvantage based on the 11767  
following, as determined to be sufficient by the director: 11768

(a) Relative wealth of the business seeking certification 11769  
as well as the personal wealth of the owner or owners of the 11770  
business; 11771

|  |       |
|--|-------|
| (b) Social disadvantage based on any of the following:           | 11772 |
| (i) A rebuttable presumption when the business owner or          | 11773 |
| owners demonstrate membership in a racial minority group or show | 11774 |
| personal disadvantage due to color, ethnic origin, gender,       | 11775 |
| physical disability, long-term residence in an environment       | 11776 |
| isolated from the mainstream of American society, location in an | 11777 |
| area of high unemployment;                                       | 11778 |
| (ii) Some other demonstration of personal disadvantage not       | 11779 |
| common to other small businesses;                                | 11780 |
| (iii) By business location in a qualified census tract.          | 11781 |
| (c) Economic disadvantage based on economic and business         | 11782 |
| size thresholds and eligibility criteria designed to stimulate   | 11783 |
| economic development through contract awards to businesses       | 11784 |
| located in qualified census tracts.                              | 11785 |
| (4) Establish standards to determine when an EDGE business       | 11786 |
| enterprise no longer qualifies for EDGE business enterprise      | 11787 |
| certification;   | 11788 |
| (5) Develop a process for evaluating and adjusting goals         | 11789 |
| established by this section to determine what adjustments are    | 11790 |
| necessary to achieve participation goals established by the      | 11791 |
| director;  | 11792 |
| (6) Establish a point system or comparable system to             | 11793 |
| evaluate bid proposals to encourage EDGE business enterprises to | 11794 |
| participate in the procurement of professional design and        | 11795 |
| information technology services;                                 | 11796 |
| (7) Establish a system to track data and analyze each            | 11797 |
| certification category established under division (B) (2) (b) of | 11798 |
| this section;  | 11799 |

|  |       |
|--|-------|
| (8) Establish a process to mediate complaints and to             | 11800 |
| review EDGE business enterprise certification appeals;           | 11801 |
| (9) Implement an outreach program to educate potential           | 11802 |
| participants about the encouraging diversity, growth, and equity | 11803 |
| program;   | 11804 |
| (10) Establish a system to assist state agencies in              | 11805 |
| identifying and utilizing EDGE business enterprises in their     | 11806 |
| contracting processes;   | 11807 |
| (11) Implement a system of self-reporting by EDGE business       | 11808 |
| enterprises as well as an on-site inspection process to validate | 11809 |
| the qualifications of an EDGE business enterprise;               | 11810 |
| (12) Establish a waiver mechanism to waive program goals         | 11811 |
| or participation requirements for those companies that, despite  | 11812 |
| their best-documented efforts, are unable to contract with       | 11813 |
| certified EDGE business enterprises;                             | 11814 |
| (13) Establish a process for monitoring overall program          | 11815 |
| compliance in which equal employment opportunity officers        | 11816 |
| primarily are responsible for monitoring their respective        | 11817 |
| agencies;  | 11818 |
| (14) Establish guidelines for state universities as              | 11819 |
| defined in section 3345.011 of the Revised Code and the Ohio     | 11820 |
| facilities construction commission created in section 123.20 of  | 11821 |
| the Revised Code for awarding contracts pursuant to Chapters     | 11822 |
| 153., 3318., and 3345. of the Revised Code to allow the          | 11823 |
| universities and commission to establish agency procurement      | 11824 |
| goals for contracting with EDGE business enterprises.            | 11825 |
| (C) Business and personal financial information and trade        | 11826 |
| secrets submitted by encouraging diversity, growth, and equity   | 11827 |
| program applicants to the director pursuant to this section are  | 11828 |

not public records for purposes of section 149.43 of the Revised Code, unless the director presents the financial information or trade secrets at a public hearing or public proceeding regarding the applicant's eligibility to participate in the program.

**Sec. 122.923.** (A) As used in this section:

(1) "Minority business enterprise" has the same meaning as in section 122.921 of the Revised Code.

(2) "EDGE business enterprise" has the same meaning as in section 122.922 of the Revised Code.

(3) "Women-owned business enterprise" has the same meaning as in section 122.924 of the Revised Code.

"Veteran-friendly business enterprise" has the same meaning as in section 122.925 of the Revised Code.

(B) Not later than the first day of October in each year, the director of housing and development shall submit a written report to the governor and to each member of the general assembly describing the progress made by state agencies in advancing the minority business enterprise program, the encouraging diversity, growth, and equity program, the women-owned business enterprise program, and the veteran-friendly business enterprise program. The report shall highlight the initiatives implemented to encourage participation of minority-owned, socially and economically disadvantaged, women-owned businesses, and veteran-friendly businesses in programs funded by state money or federal money received by the state. The report shall also include the total number of procurement contracts each agency has entered into with certified minority business enterprises, EDGE business enterprises, women-owned business enterprises, and veteran-friendly business enterprises.

**Sec. 122.924.** (A) As used in this section: 11858

"Women-owned business enterprise" means any individual, 11859  
partnership, corporation, or joint venture of any kind that is 11860  
owned and controlled by women who are United States citizens and 11861  
residents of this state or of a reciprocal state. 11862

"Owned and controlled" means that at least fifty-one per 11863  
cent of the business, including corporate stock if it is a 11864  
corporation, is owned by women and that such owners have control 11865  
over the day-to-day operations of the business and an interest 11866  
in the capital, assets, and profits and losses of the business 11867  
proportionate to their percentage of ownership. In order to 11868  
qualify as a women-owned business, a business shall have been 11869  
owned by such owners at least one year. 11870

(B) The director of housing and development shall 11871  
establish a business assistance program known as the women-owned 11872  
business enterprise program and shall adopt rules in accordance 11873  
with Chapter 119. of the Revised Code to administer the program 11874  
that do all of the following: 11875

(1) Establish procedures by which a business enterprise 11876  
may apply for certification as a women-owned business 11877  
enterprise; 11878

(2) Establish standards to determine when a women-owned 11879  
business enterprise no longer qualifies for women-owned business 11880  
enterprise certification; 11881

(3) Establish a system to make publicly available a list 11882  
of women-owned business enterprises certified under this 11883  
section; 11884

(4) Establish a process to mediate complaints and to 11885  
review women-owned business enterprise certification appeals; 11886

(5) Implement an outreach program to educate potential 11887  
participants about the women-owned business enterprise program; 11888

(6) Establish a system to assist state agencies in 11889  
identifying and utilizing women-owned business enterprises in 11890  
their contracting processes; 11891

(7) Implement a system of self-reporting by women-owned 11892  
business enterprises as well as an on-site inspection process to 11893  
validate the qualifications of women-owned business enterprises. 11894

(C) Business and personal financial information and trade 11895  
secrets submitted by women-owned business enterprise applicants 11896  
to the director pursuant to this section are not public records 11897  
for purposes of section 149.43 of the Revised Code, unless the 11898  
director presents the financial information or trade secrets at 11899  
a public hearing or public proceeding regarding the applicant's 11900  
eligibility to participate in the program. 11901

(D) The director of housing and development, upon approval 11902  
of the attorney general, may enter into a reciprocal agreement 11903  
with the appropriate officials of one or more states, when the 11904  
other state has a business assistance program or programs 11905  
substantially similar to the women-owned business enterprise 11906  
program of this state. The agreement shall provide that a 11907  
business certified by the other state as a women-owned business 11908  
enterprise, which is owned and controlled by a resident or 11909  
residents of that other state, shall be considered a women-owned 11910  
business enterprise in this state under this section. The 11911  
agreement shall provide that a women-owned business enterprise 11912  
certified under this section, which is owned and controlled by a 11913  
resident or residents of this state, shall be considered 11914  
certified in the other state and eligible for programs of that 11915  
state that provide an advantage or benefit to such businesses. 11916



(E) (1) Any person who has been certified as a women-owned business enterprise under this section may present the person's certification to a political subdivision as evidence that that person is eligible to participate in any public initiatives or strategies that the political subdivision has established to increase the participation, representation, or inclusion of women in business opportunities, and in any programs the political subdivision may have that set aside a certain amount of public contracts to award to women-owned business enterprises.

(2) When considering this evidence, a political subdivision shall defer to the department's determination that the person is a woman, that the person owns and controls the person's business, and that the person has owned the person's business for at least one year.

**Sec. 122.925.** (A) As used in this section:

"Armed forces" means the armed forces of the United States, including the army, navy, air force, marine corps, coast guard, or any reserve component of those forces; the national guard of any state; the commissioned corps of the United States public health service; the merchant marine service during wartime; such other service as may be designated by congress; and the Ohio organized militia when engaged in full-time national guard duty for a period of more than thirty days.

"State agency" has the meaning defined in section 1.60 of the Revised Code.

"Veteran" means any person who has completed service in the armed forces, including the national guard of any state, or a reserve component of the armed forces, who has been honorably

discharged or discharged under honorable conditions from the 11946  
armed forces or who has been transferred to the reserve with 11947  
evidence of satisfactory service. 11948

"Veteran-friendly business enterprise" means a sole 11949  
proprietorship, association, partnership, corporation, limited 11950  
liability company, or joint venture that meets veteran 11951  
employment standards established by the director of housing and 11952  
development and the director of transportation under this 11953  
section. 11954

(B) The director of housing and development and the 11955  
director of transportation shall establish and maintain the 11956  
veteran-friendly business procurement program. The director of 11957  
housing and development shall adopt rules to administer the 11958  
program for all state agencies except the department of 11959  
transportation, and the director of transportation shall adopt 11960  
rules to administer the program for the department of 11961  
transportation. The rules shall be adopted under Chapter 119. of 11962  
the Revised Code. The rules, as adopted separately by but with 11963  
the greatest degree of consistency possible between the two 11964  
directors, shall do all of the following: 11965

(1) Establish criteria, based on the percentage of an 11966  
applicant's employees who are veterans, that qualifies an 11967  
applicant for certification as a veteran-friendly business 11968  
enterprise; 11969

(2) Establish procedures by which a sole proprietorship, 11970  
association, partnership, corporation, limited liability 11971  
company, or joint venture may apply for certification as a 11972  
veteran-friendly business enterprise; 11973

(3) Establish procedures for certifying a sole 11974

proprietorship, association, partnership, corporation, limited  
liability company, or joint venture as a veteran-friendly  
business enterprise;

(4) Establish standards for determining when a veteran-  
friendly business enterprise no longer qualifies for  
certification as a veteran-friendly business enterprise;

(5) Establish procedures, to be used by state agencies or  
the department of transportation, for the evaluation and ranking  
of proposals, which provide preference or bonus points to each  
certified veteran-friendly business enterprise that submits a  
bid or other proposal for a contract with the state or an agency  
of the state other than the department of transportation, or  
with the department of transportation, for the rendering of  
services, or the supplying of materials, or for the  
construction, demolition, alteration, repair, or reconstruction  
of any public building, structure, highway, or other  
improvement;

(6) Implement an outreach program to educate potential  
participants about the veteran-friendly business procurement  
program; and

(7) Establish a process for monitoring overall performance  
of the veteran-friendly business procurement program.

(C) (1) Any person who has been certified as a veteran-  
friendly business enterprise under this section may present the  
person's certification to a political subdivision as evidence  
that the person is eligible to participate in any public  
initiatives or strategies that the political subdivision has  
established to reward veteran-friendly businesses or to increase  
the participation, representation, or inclusion of veteran-

friendly businesses in business opportunities, and in any 12004  
programs the political subdivision may have that set aside a 12005  
certain amount of public contracts to award to veteran-friendly 12006  
business enterprises. 12007

(2) When considering this evidence, a political 12008  
subdivision shall defer to the department's determination that 12009  
the person meets the criteria established under division (B) (1) 12010  
of this section. 12011

**Sec. 122.94.** The director of housing and development 12012  
~~services~~ shall: 12013

(A) Promulgate rules in accordance with Chapter 119. of 12014  
the Revised Code for the conduct of the minority business 12015  
development division's business and for carrying out the 12016  
purposes of sections 122.92 to 122.94 of the Revised Code; 12017

(B) Prepare an annual report to the governor and the 12018  
general assembly on or before the first day of August of its 12019  
activities for the preceding calendar year. 12020

**Sec. 122.941.** (A) On or before the first day of August in 12021  
each year, the director of housing and development ~~services~~ 12022  
shall make an annual report of the activities and operations 12023  
under the assistance programs of the department of housing and 12024  
~~development services agency~~ for the preceding fiscal year to the 12025  
governor and general assembly. The annual report shall include a 12026  
detailing of those grants, guarantees, loans, and other forms of 12027  
state assistance to women-owned businesses. 12028

(B) As used in this section: 12029

(1) "Women-owned business" means any individual, 12030  
partnership, corporation, or joint venture of any kind that is 12031  
owned and controlled by women who are United States citizens and 12032

residents of this state. 12033

(2) "Owned and controlled" means that at least fifty-one 12034  
per cent of the business, including corporate stock if it is a 12035  
corporation, is owned by women and that such owners have control 12036  
over the day-to-day operations of the business and an interest 12037  
in the capital, assets, and profits and losses of the business 12038  
proportionate to their percentage of ownership. In order to 12039  
qualify as a women-owned business, a business shall have been 12040  
owned by such owners at least one year. 12041

**Sec. 122.942.** (A) The director of housing and development 12042  
~~services~~ shall, with respect to each project for which a loan, 12043  
grant, tax credit, or other state-funded financial assistance is 12044  
awarded by the department of housing and development ~~services~~ 12045  
~~agency~~, make all of the following information available to the 12046  
public within thirty days after the ~~agency~~ department enters 12047  
into a contract with the recipient: 12048

(1) A summary of the project that includes all of the 12049  
following: 12050

(a) A breakdown of the sources of the funds for each 12051  
aspect of the project, such as state or federal programs, the 12052  
operating company or entity itself, or any private financing, 12053  
and a complete description of how each type of funds is to be 12054  
used; 12055

(b) The total amount of assistance awarded; 12056

(c) A brief description of the project; 12057

(d) The following information regarding the project: 12058

(i) The operating company or entity that is awarded the 12059  
assistance; 12060

(ii) The products or services provided by the operating company or entity; 12061  
12062

(iii) The number of new jobs, at-risk jobs, and retained jobs anticipated; the hourly wages and hourly benefits of those jobs; and the dollar amount of assistance per job affected. 12063  
12064  
12065

(e) The strengths and weaknesses of the project; 12066

(f) The location of the project, the location of the operating company or entity, and whether relocation is involved; 12067  
12068

(g) The Ohio house district and Ohio senate district in which the project is located; 12069  
12070

(h) The payment terms and conditions of the assistance awarded; 12071  
12072

(i) The collateral or security required; 12073

(j) The recommendation of the staff assigned to the project. 12074  
12075

(2) A comprehensive report that provides a description of the operating company or entity; all relevant information regarding the project; an analysis of the operating company or entity and the goods or services it provides; the explicit terms of any collateral or security required; and the reasoning behind the staffs' recommendation. 12076  
12077  
12078  
12079  
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(3) Any other relevant information the controlling board may request, or the director may consider necessary to more fully describe the details of the assistance or the operating company or entity, that is provided before the controlling board approves the assistance. 12082  
12083  
12084  
12085  
12086

(B) (1) As used in this division, "tax incentive" means any 12087

exemption, either in whole or in part, of the income, goods, 12088  
services, or property of a taxpayer from the effect of taxes 12089  
levied by or under the Revised Code. "Tax incentive" includes, 12090  
but is not limited to, tax exemptions, deferrals, exclusions, 12091  
allowances, credits, deductions, reimbursements, and 12092  
preferential tax rates. 12093

(2) The director of housing and development services shall 12094  
estimate the total revenue that will be forgone by the state as 12095  
a result of each tax incentive approved by the tax credit 12096  
authority created under section 122.17 of the Revised Code. The 12097  
estimate shall be based on the monetary value of the tax 12098  
incentive and not on potential economic growth. The director 12099  
shall make each estimate, along with the name and address of the 12100  
taxpayer that will receive the tax incentive, available to the 12101  
public within thirty days after the date the tax incentive is 12102  
approved by the tax credit authority. 12103

Nothing in this division precludes the director of housing 12104  
and development services from making other information regarding 12105  
tax incentives available to the public unless disclosure of such 12106  
information is prohibited by any other section of the Revised 12107  
Code. 12108

(3) The director may adopt rules in accordance with 12109  
Chapter 119. of the Revised Code to effectuate this division. 12110

(C) Nothing in this section shall be construed as 12111  
requiring the disclosure of information that is not a public 12112  
record under section 149.43 of the Revised Code. 12113

**Sec. 122.951.** (A) If the director of housing and 12114  
development services determines that a grant may create new jobs 12115  
or preserve existing jobs and employment opportunities in an 12116

eligible county, the director may grant up to seven hundred 12117  
fifty thousand dollars to the eligible county for the purpose of 12118  
acquiring commercial or industrial land or buildings and making 12119  
improvements to commercial or industrial areas within the 12120  
eligible county, including, but not limited to: 12121

(1) Expanding, remodeling, renovating, and modernizing 12122  
buildings, structures, and other improvements; 12123

(2) Remediating environmentally contaminated property on 12124  
which hazardous substances exist under conditions that have 12125  
caused or would cause the property to be identified as 12126  
contaminated by the Ohio or United States environmental 12127  
protection agency; and 12128

(3) Infrastructure improvements, including, but not 12129  
limited to, site preparation, including building demolition and 12130  
removal; streets, roads, bridges, and traffic control devices; 12131  
parking lots and facilities; water and sewer lines and treatment 12132  
plants; gas, electric, and telecommunications, including 12133  
broadband, hook-ups; and water and railway access improvements. 12134

A grant awarded under this section shall provide not more 12135  
than seventy-five per cent of the estimated total cost of the 12136  
project for which an application is submitted under this 12137  
section. In addition, not more than ten per cent of the amount 12138  
of the grant shall be used to pay the costs of professional 12139  
services related to the project. 12140

(B) An eligible county may apply to the director for a 12141  
grant under this section in the form and manner prescribed by 12142  
the director. The eligible county shall include on the 12143  
application all information required by the director. The 12144  
application shall require the eligible county to provide a 12145



detailed description of how the eligible county would use a 12146  
grant to improve commercial or industrial areas within the 12147  
eligible county, and to specify how a grant will lead to the 12148  
creation of new jobs or the preservation of existing jobs and 12149  
employment opportunities in the eligible county. The eligible 12150  
county shall specify in the application the amount of the grant 12151  
for which the eligible county is applying. 12152

(C) An eligible county may designate a port authority, 12153  
community improvement corporation as defined in section 122.71 12154  
of the Revised Code, or other economic development entity that 12155  
is located in the county to apply for a grant under this 12156  
section. If a port authority, community improvement corporation, 12157  
or other economic development entity is so designated, 12158  
references to an eligible county in this section include 12159  
references to the authority, corporation, or other entity. 12160

**Sec. 122.9511.** (A) As used in this section: 12161

(1) "Eligible applicant" means a person or a political 12162  
subdivision. 12163

(2) "Eligible project" means a project that, upon 12164  
completion, will be a site and facility primarily intended for 12165  
commercial, industrial, or manufacturing use. "Eligible 12166  
projects" do not include sites and facilities intended primarily 12167  
for residential, retail, or government use. 12168

(3) "Person" has the same meaning as in section 5701.01 of 12169  
the Revised Code. 12170

(4) "Political subdivision" means a municipal corporation, 12171  
township, county, school district, or any other body corporate 12172  
and politic responsible for governmental activities in a 12173  
geographic area smaller than that of the state. 12174

(5) "SiteOhio certification program" means the program 12175  
created under this section. 12176

(B) There is hereby created the SiteOhio certification 12177  
program to certify and market eligible projects in the state. 12178  
The program shall be administered by the department of housing 12179  
and development. 12180

(C) An eligible applicant may apply to the director of 12181  
housing and development on forms prescribed by the director for 12182  
the director to certify an eligible project. In addition to the 12183  
application, the applicant shall submit any additional materials 12184  
required by the director. The director shall establish scoring 12185  
criteria, scoring instruments, and materials for use by the 12186  
department of housing and development in reviewing applications 12187  
under the SiteOhio certification program. The content of the 12188  
scoring criteria, scoring instruments, and materials shall be at 12189  
the discretion of the director and may include, where 12190  
practicable, evaluation of certain quality of life indicators 12191  
and community assets. The scoring criteria, scoring instruments, 12192  
and materials shall be published and made available with the 12193  
application. 12194

Subject to any limitations imposed under division (E) (2) 12195  
of this section, the director shall approve an application and 12196  
certify the applicant's eligible project if the applicant meets 12197  
all of the scoring criteria established by the director. 12198

(D) After the director of housing and development 12199  
certifies an eligible project, the project shall be listed on 12200  
the department's web site. The director shall market certified 12201  
eligible projects to interested persons. 12202

(E) The director of housing and development shall adopt 12203

rules under Chapter 119. of the Revised Code necessary to 12204  
implement and operate the SiteOhio certification program. The 12205  
rules may provide for eligible applicants for certification to 12206  
be charged fees to cover administrative costs incurred by the 12207  
department in the administration of this section. Any fees 12208  
collected under this section shall be credited to the SiteOhio 12209  
administration fund. The director may do either of the 12210  
following: 12211

(1) Contract with one or more persons to administer all or 12212  
part of the SiteOhio certification program. 12213

(2) Limit the number of eligible projects the director 12214  
certifies according to the available resources and capabilities 12215  
of the department. 12216

**Sec. 122.9512.** There is hereby created in the state 12217  
treasury the SiteOhio administration fund. Money collected from 12218  
the fees remitted by applicants for certification under section 12219  
122.9511 of the Revised Code shall be credited to the fund. The 12220  
director of housing and development shall use the fund to pay 12221  
the department's administrative expenses for administering the 12222  
SiteOhio certification program under section 122.9511 of the 12223  
Revised Code. 12224

**Sec. 122.96.** The director of housing and development may 12225  
delegate to officers and employees of the department of housing 12226  
and development any of the powers, duties, and functions of the 12227  
director, other than the promulgation of rules or the making of 12228  
reports to the governor or the general assembly, in connection 12229  
with the issuance of bonds, notes, or other obligations, the 12230  
making or entering into of loans, guarantees, inducement 12231  
agreements, and other contracts, agreements, assignments, 12232  
certifications, and undertakings pursuant to Chapters 122., 12233

140., 165., and 166. of the Revised Code, except that the 12234  
authority to adopt resolutions thereunder and to sign bonds and 12235  
notes may be delegated only to the assistant director or to a 12236  
deputy director of the department. Each such delegation shall be 12237  
in writing, shall state the functions delegated, the individuals 12238  
to whom or the offices or employment positions to which 12239  
delegated, and the duration, not exceeding one year, of the 12240  
delegation, and shall be entered in the journal of the director. 12241  
Any such delegation may be extended or revoked prospectively by 12242  
writing signed by the director and entered in ~~his~~ the director's 12243  
journal. 12244

**Sec. 123.01.** (A) The department of administrative 12245  
services, in addition to those powers enumerated in Chapters 12246  
124. and 125. of the Revised Code and provided elsewhere by law, 12247  
shall exercise the following powers: 12248

(1) To prepare and suggest comprehensive plans for the 12249  
development of grounds and buildings under the control of a 12250  
state agency; 12251

(2) To acquire, by purchase, gift, devise, lease, or 12252  
grant, all real estate required by a state agency, in the 12253  
exercise of which power the department may exercise the power of 12254  
eminent domain, in the manner provided by sections 163.01 to 12255  
163.22 of the Revised Code; 12256

(3) To erect, supervise, and maintain all public monuments 12257  
and memorials erected by the state, except where the supervision 12258  
and maintenance is otherwise provided by law; 12259

(4) To procure, by lease, storage accommodations for a 12260  
state agency; 12261

(5) To lease or grant easements or licenses for 12262

unproductive and unused lands or other property under the 12263  
control of a state agency. Such leases, easements, or licenses 12264  
may be granted to any person or entity, shall be for a period 12265  
not to exceed fifteen years, unless a longer period is 12266  
authorized by division (A) (5) of this section, and shall be 12267  
executed for the state by the director of administrative 12268  
services. The director shall grant leases, easements, or 12269  
licenses of university land for periods not to exceed twenty- 12270  
five years for purposes approved by the respective university's 12271  
board of trustees wherein the uses are compatible with the uses 12272  
and needs of the university and may grant leases of university 12273  
land for periods not to exceed forty years for purposes approved 12274  
by the respective university's board of trustees pursuant to 12275  
section 123.17 of the Revised Code. The director may grant 12276  
perpetual easements to public utilities, as defined in section 12277  
4905.02 of the Revised Code or described in section 4905.03 of 12278  
the Revised Code. 12279

(6) To lease space for the use of a state agency; 12280

(7) To have general supervision and care of the 12281  
storerooms, offices, and buildings leased for the use of a state 12282  
agency; 12283

(8) To exercise general custodial care of all real 12284  
property of the state; 12285

(9) To assign and group together state offices in any city 12286  
in the state and to establish, in cooperation with the state 12287  
agencies involved, rules governing space requirements for office 12288  
or storage use; 12289

(10) To lease for a period not to exceed forty years, 12290  
pursuant to a contract providing for the construction thereof 12291

under a lease-purchase plan, buildings, structures, and other 12292  
improvements for any public purpose, and, in conjunction 12293  
therewith, to grant leases, easements, or licenses for lands 12294  
under the control of a state agency for a period not to exceed 12295  
forty years. The lease-purchase plan shall provide that at the 12296  
end of the lease period, the buildings, structures, and related 12297  
improvements, together with the land on which they are situated, 12298  
shall become the property of the state without cost. 12299

(a) Whenever any building, structure, or other improvement 12300  
is to be so leased by a state agency, the department shall 12301  
retain either basic plans, specifications, bills of materials, 12302  
and estimates of cost with sufficient detail to afford bidders 12303  
all needed information or, alternatively, all of the following 12304  
plans, details, bills of materials, and specifications: 12305

(i) Full and accurate plans suitable for the use of 12306  
mechanics and other builders in the improvement; 12307

(ii) Details to scale and full sized, so drawn and 12308  
represented as to be easily understood; 12309

(iii) Accurate bills showing the exact quantity of 12310  
different kinds of material necessary to the construction; 12311

(iv) Definite and complete specifications of the work to 12312  
be performed, together with such directions as will enable a 12313  
competent mechanic or other builder to carry them out and afford 12314  
bidders all needed information; 12315

(v) A full and accurate estimate of each item of expense 12316  
and of the aggregate cost thereof. 12317

(b) The department shall give public notice, in such 12318  
newspaper, in such form, and with such phraseology as the 12319  
director of administrative services prescribes, published once 12320

each week for four consecutive weeks, of the time when and place 12321  
where bids will be received for entering into an agreement to 12322  
lease to a state agency a building, structure, or other 12323  
improvement. The last publication shall be at least eight days 12324  
preceding the day for opening the bids. The bids shall contain 12325  
the terms upon which the builder would propose to lease the 12326  
building, structure, or other improvement to the state agency. 12327  
The form of the bid approved by the department shall be used, 12328  
and a bid is invalid and shall not be considered unless that 12329  
form is used without change, alteration, or addition. Before 12330  
submitting bids pursuant to this section, any builder shall 12331  
comply with Chapter 153. of the Revised Code. 12332

(c) On the day and at the place named for receiving bids 12333  
for entering into lease agreements with a state agency, the 12334  
director of administrative services shall open the bids and 12335  
shall publicly proceed immediately to tabulate the bids upon 12336  
duplicate sheets. No lease agreement shall be entered into until 12337  
the bureau of workers' compensation has certified that the 12338  
person to be awarded the lease agreement has complied with 12339  
Chapter 4123. of the Revised Code, until, if the builder 12340  
submitting the lowest and best bid is a foreign corporation, the 12341  
secretary of state has certified that the corporation is 12342  
authorized to do business in this state, until, if the builder 12343  
submitting the lowest and best bid is a person nonresident of 12344  
this state, the person has filed with the secretary of state a 12345  
power of attorney designating the secretary of state as its 12346  
agent for the purpose of accepting service of summons in any 12347  
action brought under Chapter 4123. of the Revised Code, and 12348  
until the agreement is submitted to the attorney general and the 12349  
attorney general's approval is certified thereon. Within thirty 12350  
days after the day on which the bids are received, the 12351

department shall investigate the bids received and shall 12352  
determine that the bureau and the secretary of state have made 12353  
the certifications required by this section of the builder who 12354  
has submitted the lowest and best bid. Within ten days of the 12355  
completion of the investigation of the bids, the department 12356  
shall award the lease agreement to the builder who has submitted 12357  
the lowest and best bid and who has been certified by the bureau 12358  
and secretary of state as required by this section. If bidding 12359  
for the lease agreement has been conducted upon the basis of 12360  
basic plans, specifications, bills of materials, and estimates 12361  
of costs, upon the award to the builder the department, or the 12362  
builder with the approval of the department, shall appoint an 12363  
architect or engineer licensed in this state to prepare such 12364  
further detailed plans, specifications, and bills of materials 12365  
as are required to construct the building, structure, or 12366  
improvement. The department shall adopt such rules as are 12367  
necessary to give effect to this section. The department may 12368  
reject any bid. Where there is reason to believe there is 12369  
collusion or combination among bidders, the bids of those 12370  
concerned therein shall be rejected. 12371

(11) To acquire by purchase, gift, devise, or grant and to 12372  
transfer, lease, or otherwise dispose of all real property 12373  
required to assist in the development of a conversion facility 12374  
as defined in section 5709.30 of the Revised Code as that 12375  
section existed before its repeal by Amended Substitute House 12376  
Bill 95 of the 125th general assembly; 12377

(12) To lease for a period not to exceed forty years, 12378  
notwithstanding any other division of this section, the state- 12379  
owned property located at 408-450 East Town Street, Columbus, 12380  
Ohio, formerly the state school for the deaf, to a developer in 12381  
accordance with this section. "Developer," as used in this 12382



section, has the same meaning as in section 123.77 of the 12383  
Revised Code. 12384

Such a lease shall be for the purpose of development of 12385  
the land for use by senior citizens by constructing, altering, 12386  
renovating, repairing, expanding, and improving the site as it 12387  
existed on June 25, 1982. A developer desiring to lease the land 12388  
shall prepare for submission to the department a plan for 12389  
development. Plans shall include provisions for roads, sewers, 12390  
water lines, waste disposal, water supply, and similar matters 12391  
to meet the requirements of state and local laws. The plans 12392  
shall also include provision for protection of the property by 12393  
insurance or otherwise, and plans for financing the development, 12394  
and shall set forth details of the developer's financial 12395  
responsibility. 12396

The department may employ, as employees or consultants, 12397  
persons needed to assist in reviewing the development plans. 12398  
Those persons may include attorneys, financial experts, 12399  
engineers, and other necessary experts. The department shall 12400  
review the development plans and may enter into a lease if it 12401  
finds all of the following: 12402

(a) The best interests of the state will be promoted by 12403  
entering into a lease with the developer; 12404

(b) The development plans are satisfactory; 12405

(c) The developer has established the developer's 12406  
financial responsibility and satisfactory plans for financing 12407  
the development. 12408

The lease shall contain a provision that construction or 12409  
renovation of the buildings, roads, structures, and other 12410  
necessary facilities shall begin within one year after the date 12411

of the lease and shall proceed according to a schedule agreed to 12412  
between the department and the developer or the lease will be 12413  
terminated. The lease shall contain such conditions and 12414  
stipulations as the director considers necessary to preserve the 12415  
best interest of the state. Moneys received by the state 12416  
pursuant to this lease shall be paid into the general revenue 12417  
fund. The lease shall provide that at the end of the lease 12418  
period the buildings, structures, and related improvements shall 12419  
become the property of the state without cost. 12420

(13) To manage the use of space owned and controlled by 12421  
the department by doing all of the following: 12422

(a) Biennially implementing, by state agency location, a 12423  
census of agency employees assigned space; 12424

(b) Periodically in the discretion of the director of 12425  
administrative services: 12426

(i) Requiring each state agency to categorize the use of 12427  
space allotted to the agency between office space, common areas, 12428  
storage space, and other uses, and to report its findings to the 12429  
department; 12430

(ii) Creating and updating a master space utilization plan 12431  
for all space allotted to state agencies. The plan shall 12432  
incorporate space utilization metrics. 12433

(iii) Conducting a cost-benefit analysis to determine the 12434  
effectiveness of state-owned buildings; 12435

(iv) Assessing the alternatives associated with 12436  
consolidating the commercial leases for buildings located in 12437  
Columbus. 12438

(c) Commissioning a comprehensive space utilization and 12439

capacity study in order to determine the feasibility of 12440  
consolidating existing commercially leased space used by state 12441  
agencies into a new state-owned facility. 12442

(14) To adopt rules to ensure that energy efficiency and 12443  
conservation is considered in the purchase of products and 12444  
equipment, except motor vehicles, by any state agency, 12445  
department, division, bureau, office, unit, board, commission, 12446  
authority, quasi-governmental entity, or institution. The 12447  
department may require minimum energy efficiency standards for 12448  
purchased products and equipment based on federal testing and 12449  
labeling if available or on standards developed by the 12450  
department. When possible, the rules shall apply to the 12451  
competitive selection of energy consuming systems, components, 12452  
and equipment under Chapter 125. of the Revised Code. 12453

(15) To ensure energy efficient and energy conserving 12454  
purchasing practices by doing all of the following: 12455

(a) Identifying available energy efficiency and 12456  
conservation opportunities; 12457

(b) Providing for interchange of information among 12458  
purchasing agencies; 12459

(c) Identifying laws, policies, rules, and procedures that 12460  
should be modified; 12461

(d) Monitoring experience with and the cost-effectiveness 12462  
of this state's purchase and use of motor vehicles and of major 12463  
energy-consuming systems, components, equipment, and products 12464  
having a significant impact on energy consumption by the 12465  
government; 12466

(e) Providing technical assistance and training to state 12467  
employees involved in the purchasing process; 12468

(f) Working with the department of housing and development 12469  
to make recommendations regarding planning and implementation of 12470  
purchasing policies and procedures that are supportive of energy 12471  
efficiency and conservation. 12472

(16) To require all state agencies, departments, 12473  
divisions, bureaus, offices, units, commissions, boards, 12474  
authorities, quasi-governmental entities, institutions, and 12475  
state institutions of higher education to implement procedures 12476  
to ensure that all of the passenger automobiles they acquire in 12477  
each fiscal year, except for those passenger automobiles 12478  
acquired for use in law enforcement or emergency rescue work, 12479  
achieve a fleet average fuel economy of not less than the fleet 12480  
average fuel economy for that fiscal year as the department 12481  
shall prescribe by rule. The department shall adopt the rule 12482  
prior to the beginning of the fiscal year, in accordance with 12483  
the average fuel economy standards established by federal law 12484  
for passenger automobiles manufactured during the model year 12485  
that begins during the fiscal year. 12486

Each state agency, department, division, bureau, office, 12487  
unit, commission, board, authority, quasi-governmental entity, 12488  
institution, and state institution of higher education shall 12489  
determine its fleet average fuel economy by dividing the total 12490  
number of passenger vehicles acquired during the fiscal year, 12491  
except for those passenger vehicles acquired for use in law 12492  
enforcement or emergency rescue work, by a sum of terms, each of 12493  
which is a fraction created by dividing the number of passenger 12494  
vehicles of a given make, model, and year, except for passenger 12495  
vehicles acquired for use in law enforcement or emergency rescue 12496  
work, acquired during the fiscal year by the fuel economy 12497  
measured by the administrator of the United States environmental 12498  
protection agency, for the given make, model, and year of 12499

vehicle, that constitutes an average fuel economy for combined 12500  
city and highway driving. 12501

As used in division (A)(16) of this section, "acquired" 12502  
means leased for a period of sixty continuous days or more, or 12503  
purchased. 12504

(17) To correct legal descriptions or title defects, or 12505  
release fractional interests in real property, as necessary to 12506  
cure title clouds reflected in public records, including those 12507  
resulting from boundary disputes, ingress or egress issues, 12508  
title transfers precipitated through retirement of bond 12509  
requirements, and the retention of fractional interests in real 12510  
estate otherwise disposed of in previous title transfers. 12511

(18)(a) To, with controlling board approval, sell state- 12512  
owned real property that is not held for the benefit of an 12513  
institution of higher education and is appraised at not more 12514  
than one hundred thousand dollars by an independent third-party 12515  
appraiser. 12516

(b) To sell state-owned real property that is held for the 12517  
benefit of an institution of higher education, provided all of 12518  
the following are true: 12519

(i) The board of trustees of the institution of higher 12520  
education, or, in the case of a university branch district, any 12521  
other managing authority, adopts a resolution approving the 12522  
sale; 12523

(ii) The real property is appraised at not more than ten 12524  
million dollars by an independent third-party appraiser; 12525

(iii) The controlling board approves the sale. 12526

Notwithstanding any provision of law to the contrary, net 12527

proceeds from any disposition of real property made pursuant to 12528  
division (A) (18) of this section shall, at the direction of the 12529  
director of budget and management, be credited to a fund or 12530  
funds in the state treasury, or to accounts held by an 12531  
institution of higher education for purposes to be determined by 12532  
the institution. 12533

As used in division (A) (18) of this section, "institution 12534  
of higher education" has the same meaning as in section 3345.12 12535  
of the Revised Code. 12536

(B) This section and section 125.02 of the Revised Code 12537  
shall not interfere with any of the following: 12538

(1) The power of the adjutant general to purchase military 12539  
supplies, or with the custody of the adjutant general of 12540  
property leased, purchased, or constructed by the state and used 12541  
for military purposes, or with the functions of the adjutant 12542  
general as director of state armories; 12543

(2) The power of the director of transportation in 12544  
acquiring rights-of-way for the state highway system, or the 12545  
leasing of lands for division or resident district offices, or 12546  
the leasing of lands or buildings required in the maintenance 12547  
operations of the department of transportation, or the purchase 12548  
of real property for garage sites or division or resident 12549  
district offices, or in preparing plans and specifications for 12550  
and constructing such buildings as the director may require in 12551  
the administration of the department; 12552

(3) The power of the director of public safety and the 12553  
registrar of motor vehicles to purchase or lease real property 12554  
and buildings to be used solely as locations to which a deputy 12555  
registrar is assigned pursuant to division (B) of section 12556

4507.011 of the Revised Code and from which the deputy registrar 12557  
is to conduct the deputy registrar's business, the power of the 12558  
director of public safety to purchase or lease real property and 12559  
buildings to be used as locations for division or district 12560  
offices as required in the maintenance of operations of the 12561  
department of public safety, and the power of the superintendent 12562  
of the state highway patrol in the purchase or leasing of real 12563  
property and buildings needed by the patrol, to negotiate the 12564  
sale of real property owned by the patrol, to rent or lease real 12565  
property owned or leased by the patrol, and to make or cause to 12566  
be made repairs to all property owned or under the control of 12567  
the patrol; 12568

(4) The power of the division of liquor control in the 12569  
leasing or purchasing of retail outlets and warehouse facilities 12570  
for the use of the division; 12571

(5) The power of the director of housing and development 12572  
to enter into leases of real property, buildings, and office 12573  
space to be used solely as locations for the state's foreign 12574  
offices to carry out the purposes of section 122.05 of the 12575  
Revised Code; 12576

(6) The power of the director of environmental protection 12577  
to enter into environmental covenants, to grant and accept 12578  
easements, or to sell property pursuant to division (G) of 12579  
section 3745.01 of the Revised Code; 12580

(7) The power of the department of public safety under 12581  
section 5502.01 of the Revised Code to direct security measures 12582  
and operations for the Vern Riffe center and the James A. Rhodes 12583  
state office tower. The department of administrative services 12584  
shall implement all security measures and operations at the Vern 12585  
Riffe center and the James A. Rhodes state office tower as 12586

directed by the department of public safety. 12587

(C) Purchases for, and the custody and repair of, 12588  
buildings under the management and control of the capitol square 12589  
review and advisory board, the opportunities for Ohioans with 12590  
disabilities agency, the bureau of workers' compensation, or the 12591  
departments of public safety, job and family services, mental 12592  
health and addiction services, developmental disabilities, and 12593  
rehabilitation and correction; buildings of educational and 12594  
benevolent institutions under the management and control of 12595  
boards of trustees; and purchases or leases for, and the custody 12596  
and repair of, office space used for the purposes of any agency 12597  
of the legislative branch of state government are not subject to 12598  
the control and jurisdiction of the department of administrative 12599  
services. 12600

An agency of the legislative branch of state government 12601  
that uses office space in a building under the management and 12602  
control of the department of administrative services may 12603  
exercise the agency's authority to improve the agency's office 12604  
space as authorized under this division only if, upon review, 12605  
the department of administrative services concludes the proposed 12606  
improvements do not adversely impact the structural integrity of 12607  
the building. 12608

If an agency of the legislative branch of state 12609  
government, except the capitol square review and advisory board, 12610  
so requests, the agency and the director of administrative 12611  
services may enter into a contract under which the department of 12612  
administrative services agrees to perform any services requested 12613  
by the agency that the department is authorized under this 12614  
section to perform. In performing such services, the department 12615  
shall not use competitive selection. As used in this division, 12616



"competitive selection" has the meaning defined in section 12617  
125.01 of the Revised Code and includes any other type of 12618  
competitive process for the selection of persons producing or 12619  
dealing in the services to be provided. 12620

(D) Any instrument by which real property is acquired 12621  
pursuant to this section shall identify the agency of the state 12622  
that has the use and benefit of the real property as specified 12623  
in section 5301.012 of the Revised Code. 12624

**Sec. 123.22.** (A) As used in this section: 12625

(1) "Construct" includes reconstruct, improve, renovate, 12626  
enlarge, or otherwise alter. 12627

(2) "Energy consumption analysis" means the evaluation of 12628  
all energy consuming systems, components, and equipment by 12629  
demand and type of energy, including the internal energy load 12630  
imposed on a facility by its occupants and the external energy 12631  
load imposed by climatic conditions. 12632

(3) "Facility" means a building or other structure, or 12633  
part of a building or other structure, that includes provision 12634  
for a heating, refrigeration, ventilation, cooling, lighting, 12635  
hot water, or other major energy consuming system, component, or 12636  
equipment. 12637

(4) "Life-cycle cost analysis" means a general approach to 12638  
economic evaluation that takes into account all dollar costs 12639  
related to owning, operating, maintaining, and ultimately 12640  
disposing of a project over the appropriate study period. 12641

(5) "Political subdivision" means a county, township, 12642  
municipal corporation, board of education of any school 12643  
district, or any other body corporate and politic that is 12644  
responsible for government activities in a geographic area 12645

smaller than that of the state. 12646

(6) "State funded" means funded in whole or in part 12647  
through appropriation by the general assembly or through the use 12648  
of any guarantee provided by this state. 12649

(7) "State institution of higher education" has the same 12650  
meaning as in section 3345.011 of the Revised Code. 12651

(8) "Cogeneration" means the simultaneous production of 12652  
thermal energy and electricity for use primarily within a 12653  
building or complex of buildings. 12654

(B) The Ohio facilities construction commission shall 12655  
develop energy efficiency and conservation programs for new 12656  
construction design and review and for existing building audit 12657  
and retrofit. 12658

The commission may accept and administer grants from 12659  
public and private sources for carrying out any of its duties 12660  
under this section. 12661

(C) No state agency, department, division, bureau, office, 12662  
unit, board, commission, authority, quasi-governmental entity, 12663  
or institution shall construct or cause to be constructed, 12664  
within the limits prescribed in this section, a state-funded 12665  
facility without a proper life-cycle cost analysis as computed 12666  
or prepared by a qualified architect or engineer in accordance 12667  
with the rules required by division (D) of this section. 12668

Construction shall proceed only upon the disclosure to the 12669  
commission, for the facility chosen, of the life-cycle costs as 12670  
determined in this section and the capitalization of the initial 12671  
construction costs of the building. The results of life-cycle 12672  
cost analysis shall be a primary consideration in the selection 12673  
of a building design. That analysis shall be required only for 12674

construction of buildings with an area of twenty thousand square feet or greater, except the commission may waive this requirement or may require an analysis for buildings with an area of less than twenty thousand square feet. For projects with an estimated construction cost exceeding fifty million dollars, the analysis shall include a review of cogeneration as an energy source.

Nothing in this section shall deprive or limit any state agency that has review authority over design or construction plans from requiring a life-cycle cost analysis or energy consumption analysis.

(D) For the purposes of assisting the commission in its responsibility for state-funded facilities pursuant to section 123.21 of the Revised Code and of cost-effectively reducing the energy consumption of those and any other state-funded facilities, thereby promoting fiscal, economic, and environmental benefits to this state, the commission shall promulgate rules specifying cost-effective, energy efficiency and conservation standards that may govern the design, construction, operation, and maintenance of all state-funded facilities, except facilities of state institutions of higher education or facilities operated by a political subdivision. The department of housing and development ~~services agency~~ shall cooperate in providing information and technical expertise to the commission to ensure promulgation of rules of maximum effectiveness. The standards prescribed by rules promulgated under this division may draw from or incorporate, by reference or otherwise and in whole or in part, standards already developed or implemented by any competent, public or private standards organization or program. The rules also may include any of the following:

(1) Specifications for a life-cycle cost analysis that 12706  
shall determine, for the economic life of such state-funded 12707  
facility, the reasonably expected costs of facility ownership, 12708  
operation, and maintenance including labor and materials. Life- 12709  
cycle cost may be expressed as an annual cost for each year of 12710  
the facility's use. 12711

A life-cycle cost analysis additionally may include an 12712  
energy consumption analysis that conforms to division (D) (2) of 12713  
this section. 12714

(2) Specifications for an energy consumption analysis of 12715  
the facility's heating, refrigeration, ventilation, cooling, 12716  
lighting, hot water, and other major energy consuming systems, 12717  
components, and equipment. 12718

A life-cycle cost analysis and energy consumption analysis 12719  
shall be based on the best currently available methods of 12720  
analysis, such as those of the national institute of standards 12721  
and technology, the United States department of energy or other 12722  
federal agencies, professional societies, and directions 12723  
developed by the department. 12724

(3) Specifications for energy performance indices, to be 12725  
used to audit and evaluate competing design proposals submitted 12726  
to the state. 12727

(4) A process by which a manager of a specified state- 12728  
funded facility, except a facility of a state institution of 12729  
higher education or a facility operated by a political 12730  
subdivision, may receive a waiver of compliance with any 12731  
provision of the rules required by divisions (D) (1) to (3) of 12732  
this section. 12733

(E) Each state agency, department, division, bureau, 12734

office, unit, board, commission, authority, quasi-governmental 12735  
entity, institution, and state institution of higher education 12736  
shall comply with any applicable provision of this section or of 12737  
a rule promulgated pursuant to division (D) of this section. 12738

**Sec. 125.08.** Any person who is certified by the director 12739  
of housing and development in accordance with the rules adopted 12740  
under division (B)(1) of section 122.921 of the Revised Code as 12741  
a minority business enterprise may have that person's name 12742  
placed on a special minority business enterprise notification 12743  
list to be used in connection with contracts awarded under 12744  
section 125.081 of the Revised Code. The minority business 12745  
enterprise notification list shall be used for bidding on 12746  
contracts set aside for minority business enterprises only. 12747

**Sec. 125.081.** (A) From the purchases that the department 12748  
of administrative services is required by law to make through 12749  
competitive selection, the director of administrative services 12750  
shall select a number of such purchases, the aggregate value of 12751  
which equals approximately fifteen per cent of the estimated 12752  
total value of all such purchases to be made in the current 12753  
fiscal year. The director shall set aside the purchases selected 12754  
for competition only by minority business enterprises, as 12755  
defined in division (E)(1) of section 122.71 of the Revised 12756  
Code. The competitive selection procedures for such purchases 12757  
set aside shall be the same as for all other purchases the 12758  
department is required to make through competitive selection, 12759  
except that only minority business enterprises certified by the 12760  
director of housing and development in accordance with the rules 12761  
adopted under division (B)(1) of section 122.921 of the Revised 12762  
Code and listed under section 125.08 of the Revised Code shall 12763  
be qualified to compete. 12764

(B) To the extent that any agency of the state, other than the department of administrative services, the legislative and judicial branches, boards of elections, and the adjutant general, is authorized to make purchases, the agency shall set aside a number of purchases, the aggregate value of which equals approximately fifteen per cent of the aggregate value of such purchases for the current fiscal year for competition by minority business enterprises only. The procedures for such purchases shall be the same as for all other such purchases made by the agency, except that only minority business enterprises certified by the director of housing and development in accordance with rules adopted under division (B)(1) of section 123.151 of the Revised Code shall be qualified to compete.

(C) In the case of purchases set aside under division (A) or (B) of this section, if no bid is submitted by a minority business enterprise, the purchase shall be made according to usual procedures. The contracting agency shall from time to time set aside such additional purchases for which only minority business enterprises may compete, as are necessary to replace those purchases previously set aside for which no minority business enterprises bid and to ensure that, in any fiscal year, the aggregate amount of contracts awarded to minority business enterprises will equal approximately fifteen per cent of the total amount of contracts awarded by the agency.

(D) The provisions of this section shall not preclude any minority business enterprise from competing for any other state purchases that are not specifically set aside for minority business enterprises.

(E) No funds of any state agency shall be expended in any fiscal year for any purchase for which competitive selection is

required, until the director of the department of administrative 12795  
services certifies to the clerk of the senate and the clerk of 12796  
the house of representatives of the general assembly that 12797  
approximately fifteen per cent of the aggregate amount of the 12798  
projected expenditure for such purchases in the fiscal year has 12799  
been set aside as provided for in this section. 12800

(F) Any person who intentionally misrepresents self as 12801  
owning, controlling, operating, or participating in a minority 12802  
business enterprise for the purpose of obtaining contracts, 12803  
subcontracts, or any other benefits under this section shall be 12804  
guilty of theft by deception as provided for in section 2913.02 12805  
of the Revised Code. 12806

**Sec. 125.111.** (A) Every contract for or on behalf of the 12807  
state or any of its political subdivisions for any purchase 12808  
shall contain provisions similar to those required by section 12809  
153.59 of the Revised Code in the case of construction contracts 12810  
by which the contractor agrees to both of the following: 12811

(1) That, in the hiring of employees for the performance 12812  
of work under the contract or any subcontract, no contractor or 12813  
subcontractor, by reason of race, color, religion, sex, age, 12814  
disability or military status as defined in section 4112.01 of 12815  
the Revised Code, national origin, or ancestry, shall 12816  
discriminate against any citizen of this state in the employment 12817  
of a person qualified and available to perform the work to which 12818  
the contract relates; 12819

(2) That no contractor, subcontractor, or person acting on 12820  
behalf of any contractor or subcontractor, in any manner, shall 12821  
discriminate against, intimidate, or retaliate against any 12822  
employee hired for the performance of work under the contract on 12823  
account of race, color, religion, sex, age, disability or 12824

military status as defined in section 4112.01 of the Revised 12825  
Code, national origin, or ancestry. 12826

(B) All contractors from whom the state or any of its 12827  
political subdivisions make purchases shall have a written 12828  
affirmative action program for the employment and effective 12829  
utilization of economically disadvantaged persons, as referred 12830  
to in division (E)(1) of section 122.71 of the Revised Code. 12831  
Annually, each such contractor shall file a description of the 12832  
affirmative action program and a progress report on its 12833  
implementation with the department of housing and development. 12834

**Sec. 125.20.** ~~(A)~~ Within one hundred eighty days after ~~the~~ 12835  
~~effective date of this section~~ October 16, 2009, the director of 12836  
administrative services shall establish an electronic site 12837  
accessible through the internet to publish the following: 12838

~~(1)~~ (A) A database containing each state employee's gross 12839  
pay from the most recent pay period. The database shall contain 12840  
the name of the agency, position title, and employee name. 12841

~~(2)~~ (B) A database containing tax credits issued by the 12842  
director of housing and development to business entities that 12843  
shall contain the name under which the tax credit is known, the 12844  
name of the entity receiving the credit, and the county in which 12845  
the credit recipient's principal place of business in this state 12846  
is located. 12847

(C) The director of administrative services may adopt 12848  
rules governing the means by which information is submitted and 12849  
databases are updated. 12850

**Sec. 125.836.** (A) As used in this section: 12851

(1) "Biodiesel," "blended biodiesel," and "diesel fuel" 12852  
have the same meanings as in section 125.831 of the Revised 12853



Code. 12854

(2) "Incremental cost" means the difference in cost 12855  
between blended biodiesel and conventional petroleum-based 12856  
diesel fuel at the time the blended biodiesel is purchased. 12857

(B) There is hereby created in the state treasury the 12858  
"biodiesel revolving fund," to which shall be credited moneys 12859  
appropriated to the fund by the general assembly and any other 12860  
moneys obtained or accepted by the department of housing and 12861  
~~development services agency~~ for crediting to the fund. Moneys 12862  
credited to the fund shall be used to pay for the incremental 12863  
cost of biodiesel for use in vehicles owned or leased by the 12864  
state that use diesel fuel. The director of housing and 12865  
~~development services~~ may direct the director of budget and 12866  
management to transfer available moneys in the biodiesel 12867  
revolving fund to the alternative fuel transportation fund 12868  
created in section 122.075 of the Revised Code to be used by the 12869  
department of housing and ~~development services agency~~ for the 12870  
purposes specified in that section. 12871

**Sec. 125.901.** (A) There is hereby established the Ohio 12872  
geographically referenced information program council within the 12873  
department of administrative services to coordinate the property 12874  
owned by the state. The department of administrative services 12875  
shall provide administrative support for the council. 12876

(B) The council shall consist of the following fourteen 12877  
members: 12878

(1) The state chief information officer, or the officer's 12879  
designee, who shall serve as the council chair; 12880

(2) The director of natural resources, or the director's 12881  
designee; 12882

|  |       |
|--|-------|
| (3) The director of transportation, or the director's            | 12883 |
| designee;  | 12884 |
| (4) The director of environmental protection, or the             | 12885 |
| director's designee;   | 12886 |
| (5) The director of <u>housing and</u> development, or the       | 12887 |
| director's designee;   | 12888 |
| (6) The attorney general, or the attorney general's              | 12889 |
| designee;  | 12890 |
| (7) The chancellor of higher education or the chancellor's       | 12891 |
| designee;  | 12892 |
| (8) The chief of the division of oil and gas resources           | 12893 |
| management in the department of natural resources or the chief's | 12894 |
| designee;  | 12895 |
| (9) The director of public safety or the director's              | 12896 |
| designee;  | 12897 |
| (10) The executive director of the county auditors'              | 12898 |
| association or the executive director's designee;                | 12899 |
| (11) The executive director of the county commissioners'         | 12900 |
| association or the executive director's designee;                | 12901 |
| (12) The executive director of the county engineers'             | 12902 |
| association or the executive director's designee;                | 12903 |
| (13) The executive director of the Ohio municipal league         | 12904 |
| or the executive director's designee;                            | 12905 |
| (14) The executive director of the Ohio townships                | 12906 |
| association or the executive director's designee.                | 12907 |
| (C) Members of the council shall serve without                   | 12908 |
| compensation.  | 12909 |

**Sec. 126.023.** Whenever, pursuant to section 126.06 of the  
Revised Code, the department of housing and development files  
with the director of budget and management its estimate of  
proposed expenditures for the succeeding biennium, the  
department shall request, and the director of budget and  
management shall approve the request for, the following general  
revenue fund appropriations for operating the construction  
compliance section of the department of housing and development:

(A) For the first fiscal year of the biennium, an  
appropriation equal to fifty-three one-thousandths of one per  
cent of the total new capital appropriations provided for in the  
most recently enacted main capital appropriations act;

(B) For the second fiscal year of the biennium, an  
appropriation equal to the amount computed under division (A) of  
this section, adjusted for anticipated changes in operating  
costs based upon the inflation/deflation factor used by the  
director of budget and management for that fiscal year.

The amounts of the appropriations requested pursuant to  
divisions (A) and (B) of this section shall be in addition to  
the amounts provided for staff in the construction compliance  
section of the equal employment opportunity office of the  
department of administrative services as of January 1, 1988.

**Sec. 126.32.** (A) Any officer of any state agency may  
authorize reimbursement for travel, including the costs of  
transportation, for lodging, and for meals to any person who is  
interviewing for a position that is classified in pay range 13  
or above in schedule E-1 or is classified in schedule E-2 of  
section 124.152 of the Revised Code.

(B) If a person is appointed to a position listed in

section 121.03 of the Revised Code, to the position of 12939  
chairperson of the industrial commission, adjutant general, 12940  
chancellor of the Ohio board of regents, superintendent of 12941  
public instruction, chairperson of the public utilities 12942  
commission of Ohio, or director of the state lottery commission, 12943  
to a position holding a fiduciary relationship to the governor, 12944  
to a position of an appointing authority of the department of 12945  
mental health and addiction services, developmental 12946  
disabilities, or rehabilitation and correction, to a position of 12947  
superintendent in the department of youth services, or to a 12948  
position under section 122.05 of the Revised Code, and if that 12949  
appointment requires a permanent change of residence, the 12950  
appropriate state agency may reimburse the person for the 12951  
person's actual and necessary expenses, including the cost of 12952  
in-transit storage of household goods and personal effects, of 12953  
moving the person and members of the person's immediate family 12954  
residing in the person's household, and of moving their 12955  
household goods and personal effects, to the person's new 12956  
location. 12957

Until that person moves the person's permanent residence 12958  
to the new location, but not for a period that exceeds thirty 12959  
consecutive days, the state agency may reimburse the person for 12960  
the person's temporary living expenses at the new location that 12961  
the person has incurred on behalf of the person and members of 12962  
the person's immediate family residing in the person's 12963  
household. In addition, the state agency may reimburse that 12964  
person for the person's travel expenses between the new location 12965  
and the person's former residence during this period for a 12966  
maximum number of trips specified by rule of the director of 12967  
budget and management, but the state agency shall not reimburse 12968  
the person for travel expenses incurred for those trips by 12969

members of the person's immediate family. With the prior written 12970  
approval of the director, the maximum thirty-day period for 12971  
temporary living expenses may be extended for a person appointed 12972  
to a position under section 122.05 of the Revised Code. 12973

The director of housing and development ~~services~~ may 12974  
reimburse a person appointed to a position under section 122.05 12975  
of the Revised Code for the person's actual and necessary 12976  
expenses of moving the person and members of the person's 12977  
immediate family residing in the person's household back to the 12978  
United States and may reimburse a person appointed to such a 12979  
position for the cost of storage of household goods and personal 12980  
effects of the person and the person's immediate family while 12981  
the person is serving outside the United States, if the person's 12982  
office outside the United States is the person's primary job 12983  
location. 12984

(C) All reimbursement under division (A) or (B) of this 12985  
section shall be made in the manner, and at rates that do not 12986  
exceed those, provided by rule of the director of budget and 12987  
management in accordance with section 111.15 of the Revised 12988  
Code. Reimbursements may be made under division (B) of this 12989  
section directly to the persons who incurred the expenses or 12990  
directly to the providers of goods or services the persons 12991  
receive, as determined by the director of budget and management. 12992

**Sec. 126.62.** (A) The all Ohio future fund is hereby 12993  
created in the state treasury. The fund shall consist of money 12994  
credited to it and any donations, gifts, bequests, or other 12995  
money received for deposit in the fund. All investment earnings 12996  
of the fund shall be credited to the fund. Money in the fund 12997  
shall be used to promote economic development throughout the 12998  
state, ~~including by funding the installation or improvement of~~ 12999

|   |       |
|---|-------|
| infrastructure <del>projects and other infrastructure</del>                   | 13000 |
| <del>improvements</del> <u>that is a critical component for either of the</u> | 13001 |
| <u>following:</u>   | 13002 |
| <u>(1) Site-readiness and preparation;</u>                                    | 13003 |
| <u>(2) Housing to accommodate a growing workforce.</u>                        | 13004 |
| (B) The director shall adopt rules in accordance with                         | 13005 |
| Chapter 119. of the Revised Code that establish requirements and              | 13006 |
| procedures to provide financial assistance from the all Ohio                  | 13007 |
| future fund. The director shall consult with JobsOhio in                      | 13008 |
| adopting the rules.   | 13009 |
| (C) No money shall be expended from the all Ohio future                       | 13010 |
| fund, pursuant to appropriation, until it has been released by                | 13011 |
| the controlling board.  | 13012 |
| <b>Sec. 140.01.</b> As used in this chapter:                                  | 13013 |
| (A) "Hospital agency" means any public hospital agency or                     | 13014 |
| any nonprofit hospital agency.  | 13015 |
| (B) "Public hospital agency" means any county, board of                       | 13016 |
| county hospital trustees established pursuant to section 339.02               | 13017 |
| of the Revised Code, county hospital commission established                   | 13018 |
| pursuant to section 339.14 of the Revised Code, municipal                     | 13019 |
| corporation, new community authority organized under Chapter                  | 13020 |
| 349. of the Revised Code, joint township hospital district,                   | 13021 |
| state or municipal university or college operating or authorized              | 13022 |
| to operate a hospital facility, or the state.                                 | 13023 |
| (C) "Nonprofit hospital agency" means a corporation or                        | 13024 |
| association not for profit, no part of the net earnings of which              | 13025 |
| inures or may lawfully inure to the benefit of any private                    | 13026 |
| shareholder or individual, that has authority to own or operate               | 13027 |

a hospital facility or provides or is to provide services to one 13028  
or more other hospital agencies. 13029

(D) "Governing body" means, in the case of a county, the 13030  
board of county commissioners or other legislative body; in the 13031  
case of a board of county hospital trustees, the board; in the 13032  
case of a county hospital commission, the commission; in the 13033  
case of a municipal corporation, the council or other 13034  
legislative authority; in the case of a new community authority, 13035  
its board of trustees; in the case of a joint township hospital 13036  
district, the joint township district hospital board; in the 13037  
case of a state or municipal university or college, its board of 13038  
trustees or board of directors; in the case of a nonprofit 13039  
hospital agency, the board of trustees or other body having 13040  
general management of the agency; and, in the case of the state, 13041  
the director of housing and development or the Ohio higher 13042  
educational facility commission. 13043

(E) "Hospital facilities" means buildings, structures and 13044  
other improvements, additions thereto and extensions thereof, 13045  
furnishings, equipment, and real estate and interests in real 13046  
estate, used or to be used for or in connection with one or more 13047  
hospitals, emergency, intensive, intermediate, extended, long- 13048  
term, or self-care facilities, diagnostic and treatment and out- 13049  
patient facilities, facilities related to programs for home 13050  
health services, clinics, laboratories, public health centers, 13051  
research facilities, and rehabilitation facilities, for or 13052  
pertaining to diagnosis, treatment, care, or rehabilitation of 13053  
persons who are sick, ill, injured, infirm, or impaired or who 13054  
have disabilities, or the prevention, detection, and control of 13055  
disease, and also includes education, training, and food service 13056  
facilities for health professions personnel, housing facilities 13057  
for such personnel and their families, and parking and service 13058

facilities in connection with any of the foregoing; and includes 13059  
any one, part of, or any combination of the foregoing; and 13060  
further includes site improvements, utilities, machinery, 13061  
facilities, furnishings, and any separate or connected 13062  
buildings, structures, improvements, sites, utilities, 13063  
facilities, or equipment to be used in, or in connection with 13064  
the operation or maintenance of, or supplementing or otherwise 13065  
related to the services or facilities to be provided by, any one 13066  
or more of such hospital facilities. 13067

(F) "Costs of hospital facilities" means the costs of 13068  
acquiring hospital facilities or interests in hospital 13069  
facilities, including membership interests in nonprofit hospital 13070  
agencies, costs of constructing hospital facilities, costs of 13071  
improving one or more hospital facilities, including 13072  
reconstructing, rehabilitating, remodeling, renovating, and 13073  
enlarging, costs of equipping and furnishing such facilities, 13074  
and all financing costs pertaining thereto, including, without 13075  
limitation thereto, costs of engineering, architectural, and 13076  
other professional services, designs, plans, specifications and 13077  
surveys, and estimates of cost, costs of tests and inspections, 13078  
the costs of any indemnity or surety bonds and premiums on 13079  
insurance, all related direct or allocable administrative 13080  
expenses pertaining thereto, fees and expenses of trustees, 13081  
depositories, and paying agents for the obligations, cost of 13082  
issuance of the obligations and financing charges and fees and 13083  
expenses of financial advisors, attorneys, accountants, 13084  
consultants and rating services in connection therewith, 13085  
capitalized interest on the obligations, amounts necessary to 13086  
establish reserves as required by the bond proceedings, the 13087  
reimbursement of all moneys advanced or applied by the hospital 13088  
agency or others or borrowed from others for the payment of any 13089



item or items of costs of such facilities, and all other 13090  
expenses necessary or incident to planning or determining 13091  
feasibility or practicability with respect to such facilities, 13092  
and such other expenses as may be necessary or incident to the 13093  
acquisition, construction, reconstruction, rehabilitation, 13094  
remodeling, renovation, enlargement, improvement, equipment, and 13095  
furnishing of such facilities, the financing thereof, and the 13096  
placing of the same in use and operation, including any one, 13097  
part of, or combination of such classes of costs and expenses, 13098  
and means the costs of refinancing obligations issued by, or 13099  
reimbursement of money advanced by, nonprofit hospital agencies 13100  
or others the proceeds of which were used for the payment of 13101  
costs of hospital facilities, if the governing body of the 13102  
public hospital agency determines that the refinancing or 13103  
reimbursement advances the purposes of this chapter, whether or 13104  
not the refinancing or reimbursement is in conjunction with the 13105  
acquisition or construction of additional hospital facilities. 13106

(G) "Hospital receipts" means all moneys received by or on 13107  
behalf of a hospital agency from or in connection with the 13108  
ownership, operation, acquisition, construction, improvement, 13109  
equipping, or financing of any hospital facilities, including, 13110  
without limitation thereto, any rentals and other moneys 13111  
received from the lease, sale, or other disposition of hospital 13112  
facilities, and any gifts, grants, interest subsidies, or other 13113  
moneys received under any federal program for assistance in 13114  
financing the costs of hospital facilities, and any other gifts, 13115  
grants, and donations, and receipts therefrom, available for 13116  
financing the costs of hospital facilities. 13117

(H) "Obligations" means bonds, notes, or other evidences 13118  
of indebtedness or obligation, including interest coupons 13119  
pertaining thereto, issued or issuable by a public hospital 13120

agency to pay costs of hospital facilities. 13121

(I) "Bond service charges" means principal, interest, and 13122  
call premium, if any, required to be paid on obligations. 13123

(J) "Bond proceedings" means one or more ordinances, 13124  
resolutions, trust agreements, indentures, and other agreements 13125  
or documents, and amendments and supplements to the foregoing, 13126  
or any combination thereof, authorizing or providing for the 13127  
terms, including any variable interest rates, and conditions 13128  
applicable to, or providing for the security of, obligations and 13129  
the provisions contained in such obligations. 13130

(K) "Nursing home" has the same meaning as in division (A) 13131  
(1) of section 5701.13 of the Revised Code. 13132

(L) "Residential care facility" has the same meaning as in 13133  
division (A) (2) of section 5701.13 of the Revised Code. 13134

(M) "Independent living facility" means any self-care 13135  
facility or other housing facility designed or used as a 13136  
residence for elderly persons. An "independent living facility" 13137  
does not include a residential facility, or that part of a 13138  
residential facility, that is any of the following: 13139

(1) A hospital; 13140

(2) A nursing home or residential care facility; 13141

(3) A facility operated by a hospice care program licensed 13142  
under section 3712.04 of the Revised Code and used for the 13143  
program's hospice patients; 13144

(4) A residential facility licensed by the department of 13145  
mental health and addiction services under section 5119.34 of 13146  
the Revised Code that provides accommodations, supervision, and 13147  
personal care services for three to sixteen unrelated adults; 13148

(5) A residential facility licensed by the department of 13149  
mental health and addiction services under section 5119.34 of 13150  
the Revised Code that is not a residential facility described in 13151  
division (M) (4) of this section; 13152

(6) A facility licensed to operate an opioid treatment 13153  
program under section 5119.37 of the Revised Code; 13154

(7) A community addiction services provider, as defined in 13155  
section 5119.01 of the Revised Code; 13156

(8) A residential facility licensed under section 5123.19 13157  
of the Revised Code or a facility providing services under a 13158  
contract with the department of developmental disabilities under 13159  
section 5123.18 of the Revised Code; 13160

(9) A residential facility used as part of a hospital to 13161  
provide housing for staff of the hospital or students pursuing a 13162  
course of study at the hospital. 13163

**Sec. 145.035.** Notwithstanding section 145.03 of the 13164  
Revised Code, an individual employed by, or otherwise 13165  
compensated with state funds appropriated to, the department of 13166  
housing and development who is principally located outside of 13167  
the United States and is or intends to become a member of a 13168  
foreign government's retirement or social security system in 13169  
lieu of becoming a member of the public employees retirement 13170  
system may choose to be exempted from membership in the public 13171  
employees retirement system by signing a written application for 13172  
exemption within the first month after being employed and filing 13173  
such application with the public employees retirement board. The 13174  
application, when approved as to form by the board and filed 13175  
with the employer, shall be irrevocable while the individual is 13176  
continuously employed as described in this section and such 13177

individual shall forever be barred from claiming or purchasing 13178  
membership rights or credit for the particular period covered by 13179  
the exemption. Any individual who is or becomes a member of the 13180  
public employees retirement system shall continue the membership 13181  
as long as ~~he~~ the individual is a public employee, even though 13182  
~~he~~ the individual may be in or transferred to employment 13183  
described in this section. 13184

**Sec. 149.311.** (A) As used in this section: 13185

(1) "Historic building" means a building, including its 13186  
structural components, that is located in this state and that is 13187  
either individually listed on the national register of historic 13188  
places under 16 U.S.C. 470a, located in a registered historic 13189  
district, and certified by the state historic preservation 13190  
officer as being of historic significance to the district, or is 13191  
individually listed as an historic landmark designated by a 13192  
local government certified under 16 U.S.C. 470a(c). 13193

(2) "Qualified rehabilitation expenditures" means 13194  
expenditures paid or incurred during the rehabilitation period, 13195  
and before and after that period as determined under 26 U.S.C. 13196  
47, by an owner or qualified lessee of an historic building to 13197  
rehabilitate the building. "Qualified rehabilitation 13198  
expenditures" includes architectural or engineering fees paid or 13199  
incurred in connection with the rehabilitation, and expenses 13200  
incurred in the preparation of nomination forms for listing on 13201  
the national register of historic places. "Qualified 13202  
rehabilitation expenditures" does not include any of the 13203  
following: 13204

(a) The cost of acquiring, expanding, or enlarging an 13205  
historic building; 13206

(b) Expenditures attributable to work done to facilities 13207  
related to the building, such as parking lots, sidewalks, and 13208  
landscaping; 13209

(c) New building construction costs. 13210

(3) "Owner" of an historic building means a person holding 13211  
the fee simple interest in the building. "Owner" does not 13212  
include the state or a state agency, or any political 13213  
subdivision as defined in section 9.23 of the Revised Code. 13214

(4) "Qualified lessee" means a person subject to a lease 13215  
agreement for an historic building and eligible for the federal 13216  
rehabilitation tax credit under 26 U.S.C. 47. "Qualified lessee" 13217  
does not include the state or a state agency or political 13218  
subdivision as defined in section 9.23 of the Revised Code. 13219

(5) "Certificate owner" means the owner or qualified 13220  
lessee of an historic building to which a rehabilitation tax 13221  
credit certificate was issued under this section. 13222

(6) "Registered historic district" means an historic 13223  
district listed in the national register of historic places 13224  
under 16 U.S.C. 470a, an historic district designated by a local 13225  
government certified under 16 U.S.C. 470a(c), or a local 13226  
historic district certified under 36 C.F.R. 67.8 and 67.9. 13227

(7) "Rehabilitation" means the process of repairing or 13228  
altering an historic building or buildings, making possible an 13229  
efficient use while preserving those portions and features of 13230  
the building and its site and environment that are significant 13231  
to its historic, architectural, and cultural values. 13232

(8) "Rehabilitation period" means one of the following: 13233

(a) If the rehabilitation initially was not planned to be 13234

completed in stages, a period chosen by the owner or qualified 13235  
lessee not to exceed twenty-four months during which 13236  
rehabilitation occurs; 13237

(b) If the rehabilitation initially was planned to be 13238  
completed in stages, a period chosen by the owner or qualified 13239  
lessee not to exceed sixty months during which rehabilitation 13240  
occurs. Each stage shall be reviewed as a phase of a 13241  
rehabilitation as determined under 26 C.F.R. 1.48-12 or a 13242  
successor to that section. 13243

(9) "State historic preservation officer" or "officer" 13244  
means the state historic preservation officer appointed by the 13245  
governor under 16 U.S.C. 470a. 13246

(10) "Catalytic project" means the rehabilitation of an 13247  
historic building, the rehabilitation of which will foster 13248  
economic development within two thousand five hundred feet of 13249  
the historic building. 13250

(B) The owner or qualified lessee of an historic building 13251  
may apply to the director of housing and development for a 13252  
rehabilitation tax credit certificate for qualified 13253  
rehabilitation expenditures paid or incurred by such owner or 13254  
qualified lessee after April 4, 2007, for rehabilitation of an 13255  
historic building. If the owner of an historic building enters a 13256  
pass-through agreement with a qualified lessee for the purposes 13257  
of the federal rehabilitation tax credit under 26 U.S.C. 47, the 13258  
qualified rehabilitation expenditures paid or incurred by the 13259  
owner after April 4, 2007, may be attributed to the qualified 13260  
lessee. 13261

The form and manner of filing such applications shall be 13262  
prescribed by rule of the director. Each application shall state 13263

the amount of qualified rehabilitation expenditures the 13264  
applicant estimates will be paid or incurred and shall indicate 13265  
whether the historic building was used as a theater before, and 13266  
is intended to be used as a theater after, the rehabilitation. 13267  
The director may require applicants to furnish documentation of 13268  
such estimates. 13269

The director, after consultation with the tax commissioner 13270  
and in accordance with Chapter 119. of the Revised Code, shall 13271  
adopt rules that establish all of the following: 13272

(1) Forms and procedures by which applicants may apply for 13273  
rehabilitation tax credit certificates; 13274

(2) Criteria for reviewing, evaluating, and approving 13275  
applications for certificates within the limitations under 13276  
division (D) of this section, criteria for assuring that the 13277  
certificates issued encompass a mixture of high and low 13278  
qualified rehabilitation expenditures, and criteria for issuing 13279  
certificates under division (C) (3) (b) of this section; 13280

(3) Eligibility requirements for obtaining a certificate 13281  
under this section; 13282

(4) The form of rehabilitation tax credit certificates; 13283

(5) Reporting requirements and monitoring procedures; 13284

(6) Procedures and criteria for conducting cost-benefit 13285  
analyses of historic buildings that are the subjects of 13286  
applications filed under this section. The purpose of a cost- 13287  
benefit analysis shall be to determine whether rehabilitation of 13288  
the historic building will result in a net revenue gain in state 13289  
and local taxes once the building is used. 13290

(7) Any other rules necessary to implement and administer 13291

this section. 13292

(C) The director shall review the applications with the 13293  
assistance of the state historic preservation officer and 13294  
determine whether all of the following criteria are met: 13295

(1) That the building that is the subject of the 13296  
application is an historic building and the applicant is the 13297  
owner or qualified lessee of the building; 13298

(2) That the rehabilitation will satisfy standards 13299  
prescribed by the United States secretary of the interior under 13300  
16 U.S.C. 470, et seq., as amended, and 36 C.F.R. 67.7 or a 13301  
successor to that section; 13302

(3) That receiving a rehabilitation tax credit certificate 13303  
under this section is a major factor in: 13304

(a) The applicant's decision to rehabilitate the historic 13305  
building; or 13306

(b) To increase the level of investment in such 13307  
rehabilitation. 13308

(4) The historic building that is the subject of the 13309  
application is not, and will not upon completion of the 13310  
rehabilitation project be, part of a qualified low-income 13311  
housing project allocated a tax credit pursuant to section 42 of 13312  
the Internal Revenue Code. 13313

An applicant shall demonstrate to the satisfaction of the 13314  
state historic preservation officer and director that the 13315  
rehabilitation will satisfy the standards described in division 13316  
(C) (2) of this section before the applicant begins the physical 13317  
rehabilitation of the historic building. 13318

(D) (1) If the director determines that an application 13319



meets the criteria in division (C) of this section, the director 13320  
shall conduct a cost-benefit analysis for the historic building 13321  
that is the subject of the application to determine whether 13322  
rehabilitation of the historic building will result in a net 13323  
revenue gain in state and local taxes once the building is used. 13324  
The director shall consider the results of the cost-benefit 13325  
analysis in determining whether to approve the application. The 13326  
director shall also consider the potential economic impact and 13327  
the regional distributive balance of the credits throughout the 13328  
state. The director may approve an application only after 13329  
completion of the cost-benefit analysis. 13330

(2) A rehabilitation tax credit certificate shall not be 13331  
issued for an amount greater than the estimated amount furnished 13332  
by the applicant on the application for such certificate and 13333  
approved by the director. The director shall not approve more 13334  
than a total of one hundred twenty million dollars of 13335  
rehabilitation tax credits for each of fiscal years 2023 and 13336  
2024, and sixty million dollars of rehabilitation tax credits 13337  
for each fiscal year thereafter but the director may reallocate 13338  
unused tax credits from a prior fiscal year for new applicants 13339  
and such reallocated credits shall not apply toward the dollar 13340  
limit of this division. 13341

(3) For rehabilitations with a rehabilitation period not 13342  
exceeding twenty-four months as provided in division (A) (8) (a) 13343  
of this section, a rehabilitation tax credit certificate shall 13344  
not be issued before the rehabilitation of the historic building 13345  
is completed. 13346

(4) For rehabilitations with a rehabilitation period not 13347  
exceeding sixty months as provided in division (A) (8) (b) of this 13348  
section, a rehabilitation tax credit certificate shall not be 13349

issued before a stage of rehabilitation is completed. After all 13350  
stages of rehabilitation are completed, if the director cannot 13351  
determine that the criteria in division (C) of this section are 13352  
satisfied for all stages of rehabilitations, the director shall 13353  
certify this finding to the tax commissioner, and any 13354  
rehabilitation tax credits received by the applicant shall be 13355  
repaid by the applicant and may be collected by assessment as 13356  
unpaid tax by the commissioner. 13357

(5) The director shall require the applicant to provide a 13358  
third-party cost certification by a certified public accountant 13359  
of the actual costs attributed to the rehabilitation of the 13360  
historic building when qualified rehabilitation expenditures 13361  
exceed two hundred thousand dollars. 13362

If an applicant whose application is approved for receipt 13363  
of a rehabilitation tax credit certificate fails to provide to 13364  
the director sufficient evidence of reviewable progress, 13365  
including a viable financial plan, copies of final construction 13366  
drawings, and evidence that the applicant has obtained all 13367  
historic approvals within twelve months after the date the 13368  
applicant received notification of approval, and if the 13369  
applicant fails to provide evidence to the director that the 13370  
applicant has secured and closed on financing for the 13371  
rehabilitation within eighteen months after receiving 13372  
notification of approval, the director may rescind the approval 13373  
of the application. The director shall notify the applicant if 13374  
the approval has been rescinded. Credits that would have been 13375  
available to an applicant whose approval was rescinded shall be 13376  
available for other qualified applicants. Nothing in this 13377  
division prohibits an applicant whose approval has been 13378  
rescinded from submitting a new application for a rehabilitation 13379  
tax credit certificate. 13380

(6) The director may approve the application of, and issue  
a rehabilitation tax credit certificate to, the owner of a  
catalytic project, provided the application otherwise meets the  
criteria described in divisions (C) and (D) of this section. The  
director may not approve more than one application for a  
rehabilitation tax credit certificate under division (D) (6) of  
this section during each state fiscal biennium. The director  
shall not approve an application for a rehabilitation tax credit  
certificate under division (D) (6) of this section during the  
state fiscal biennium beginning July 1, 2017, or during any  
state fiscal biennium thereafter. The director shall consider  
the following criteria in determining whether to approve an  
application for a certificate under division (D) (6) of this  
section:

(a) Whether the historic building is a catalytic project;

(b) The effect issuance of the certificate would have on  
the availability of credits for other applicants that qualify  
for a credit certificate within the credit dollar limit  
described in division (D) (2) of this section;

(c) The number of jobs, if any, the catalytic project will  
create.

(7) (a) The owner or qualified lessee of a historic  
building may apply for a rehabilitation tax credit certificate  
under both divisions (B) and (D) (6) of this section. In such a  
case, the director shall consider each application at the time  
the application is submitted.

(b) The director shall not issue more than one certificate  
under this section with respect to the same qualified  
rehabilitation expenditures.

(8) The director shall give consideration for tax credits 13410  
awarded under this section to rehabilitations of historic 13411  
buildings used as a theater before, and intended to be used as a 13412  
theater after, the rehabilitation. In determining whether to 13413  
approve an application for such a rehabilitation, the director 13414  
shall consider the extent to which the rehabilitation will 13415  
increase attendance at the theater and increase the theater's 13416  
gross revenue. 13417

(9) The director shall rescind the approval of any 13418  
application if the building that is the subject of the 13419  
application is part of a qualified low-income housing project 13420  
allocated a tax credit pursuant to section 42 of the Internal 13421  
Revenue Code at any time before the building's rehabilitation is 13422  
complete. 13423

(E) Issuance of a certificate represents a finding by the 13424  
director of the matters described in divisions (C) (1), (2), and 13425  
(3) of this section only; issuance of a certificate does not 13426  
represent a verification or certification by the director of the 13427  
amount of qualified rehabilitation expenditures for which a tax 13428  
credit may be claimed under section 5725.151, 5725.34, 5726.52, 13429  
5729.17, 5733.47, or 5747.76 of the Revised Code. The amount of 13430  
qualified rehabilitation expenditures for which a tax credit may 13431  
be claimed is subject to inspection and examination by the tax 13432  
commissioner or employees of the commissioner under section 13433  
5703.19 of the Revised Code and any other applicable law. Upon 13434  
the issuance of a certificate, the director shall certify to the 13435  
tax commissioner, in the form and manner requested by the tax 13436  
commissioner, the name of the applicant, the amount of qualified 13437  
rehabilitation expenditures shown on the certificate, and any 13438  
other information required by the rules adopted under this 13439  
section. 13440

(F) (1) On or before the first day of August each year, the director and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a report on the tax credit program established under this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. The report shall present an overview of the program and shall include information on the number of rehabilitation tax credit certificates issued under this section during the preceding fiscal year, an update on the status of each historic building for which an application was approved under this section, the dollar amount of the tax credits granted under sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code, and any other information the director and commissioner consider relevant to the topics addressed in the report.

(2) On or before December 1, 2015, the director and tax commissioner jointly shall submit to the president of the senate and the speaker of the house of representatives a comprehensive report that includes the information required by division (F) (1) of this section and a detailed analysis of the effectiveness of issuing tax credits for rehabilitating historic buildings. The report shall be prepared with the assistance of an economic research organization jointly chosen by the director and commissioner.

(G) There is hereby created in the state treasury the historic rehabilitation tax credit operating fund. The director is authorized to charge reasonable application and other fees in connection with the administration of tax credits authorized by this section and sections 5725.151, 5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised Code. Any such fees

collected shall be credited to the fund and used to pay 13472  
reasonable costs incurred by the department of housing and 13473  
development in administering this section and sections 5725.151, 13474  
5725.34, 5726.52, 5729.17, 5733.47, and 5747.76 of the Revised 13475  
Code. 13476

The Ohio historic preservation office is authorized to 13477  
charge reasonable fees in connection with its review and 13478  
approval of applications under this section. Any such fees 13479  
collected shall be credited to the fund and used to pay 13480  
administrative costs incurred by the Ohio historic preservation 13481  
office pursuant to this section. 13482

(H) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13483  
5729.17, 5733.47, and 5747.76 of the Revised Code, the 13484  
certificate owner of a tax credit certificate issued under 13485  
division (D)(6) of this section may claim a tax credit equal to 13486  
twenty-five per cent of the dollar amount indicated on the 13487  
certificate for a total credit of not more than twenty-five 13488  
million dollars. The credit claimed by such a certificate owner 13489  
for any calendar year, tax year, or taxable year under section 13490  
5725.151, 5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the 13491  
Revised Code shall not exceed five million dollars. If the 13492  
certificate owner is eligible for more than five million dollars 13493  
in total credits, the certificate owner may carry forward the 13494  
balance of the credit in excess of the amount claimed for that 13495  
year for not more than five ensuing calendar years, tax years, 13496  
or taxable years. If the credit claimed in any calendar year, 13497  
tax year, or taxable year exceeds the tax otherwise due, the 13498  
excess shall be refunded to the taxpayer. 13499

(I) Notwithstanding sections 5725.151, 5725.34, 5726.52, 13500  
5729.17, 5733.47, and 5747.76 of the Revised Code, the following 13501

apply to a tax credit approved under this section after 13502  
September 13, 2022, and before July 1, 2024: 13503

(1) The certificate holder may claim a tax credit equal to 13504  
thirty-five per cent of the dollar amount indicated on the tax 13505  
credit certificate if any county, township, or municipal 13506  
corporation within which the project is located has a population 13507  
of less than three hundred thousand according to the 2020 13508  
decennial census. The tax credit equals twenty-five per cent of 13509  
the dollar amount indicated on the certificate if the project is 13510  
not located within such a county, township, or municipal 13511  
corporation. 13512

(2) The total tax credit claimed under section 5725.151, 13513  
5725.34, 5726.52, 5729.17, 5733.47, or 5747.76 of the Revised 13514  
Code for any one project shall not exceed ten million dollars 13515  
for any calendar year, tax year, or taxable year. 13516

(3) If the credit claimed in any calendar year, tax year, 13517  
or taxable year exceeds the tax otherwise due, the excess shall 13518  
be refunded to the taxpayer, subject to division (I)(2) of this 13519  
section. 13520

(J) The director of housing and development, in 13521  
consultation with the director of budget and management, shall 13522  
develop and adopt a system of tracking any information necessary 13523  
to anticipate the impact of credits issued under this section on 13524  
tax revenues for current and future fiscal years. Such 13525  
information may include the number of applications approved, the 13526  
estimated rehabilitation expenditures and rehabilitation period 13527  
associated with such applications, the number and amount of tax 13528  
credit certificates issued, and any other information the 13529  
director of budget and management requires for the purposes of 13530  
this division. 13531

(K) For purposes of this section and Chapter 122:19-1 of the Ohio Administrative Code, a tax credit certificate issued under this section is effective on the date that all historic buildings rehabilitated by the project are "placed in service," as that term is used in section 47 of the Internal Revenue Code.

**Sec. 150.02.** (A) There is hereby created the Ohio venture capital authority, which shall exercise the powers and perform the duties prescribed by this chapter. The exercise by the authority of its powers and duties is hereby declared to be an essential state governmental function. The authority is subject to all laws generally applicable to state agencies and public officials, including, but not limited to, Chapter 119. and sections 121.22 and 149.43 of the Revised Code, to the extent those laws do not conflict with this chapter.

(B) The authority shall consist of three members appointed by the governor, one of whom the governor shall select from a list of three nominees provided by the president of the senate, and one of whom the governor shall select from a list of three nominees provided by the speaker of the house of representatives. If the governor rejects all the nominees provided in either list, the governor shall request that the president of the senate or speaker of the house, as the case may be, provide another list of three nominees, and the president or speaker, as the case may be, shall provide another list of three nominees. All nominated and appointed members shall have experience in the field of banking, investments, commercial law, or industry relevant to the purpose of the Ohio venture capital program as stated in section 150.01 of the Revised Code. The director of housing and development and tax commissioner or their designees shall serve as advisors to the authority but shall not be members and shall not vote on any matter before the



authority. 13563

Initial appointees to the authority shall serve staggered 13564  
terms, with one term expiring on January 31, 2004, two terms 13565  
expiring on January 31, 2005, two terms expiring on January 31, 13566  
2006, and two terms expiring on January 31, 2007. The terms of 13567  
all members serving on the authority on January 31, 2010, expire 13568  
on that date, and the three appointees appointed pursuant to the 13569  
amendment of this section by H.B. 1 of the 128th general 13570  
assembly shall begin their terms February 1, 2010, with one term 13571  
expiring January 31, 2012, one term expiring January 31, 2013, 13572  
and one term expiring January 31, 2014. Thereafter, terms of 13573  
office for all appointees shall be for four years, with each 13574  
term ending on the same day of the same month as did the term 13575  
that it succeeds. A vacancy on the authority shall be filled in 13576  
the same manner as the original appointment, except that a 13577  
person appointed to fill a vacancy shall be appointed to the 13578  
remainder of the unexpired term. Any appointed member of the 13579  
authority is eligible for reappointment. 13580

A member of the authority may be removed by the member's 13581  
appointing authority for misfeasance, malfeasance, willful 13582  
neglect of duty, or other cause, after notice and a public 13583  
hearing, unless the notice and hearing are waived in writing by 13584  
the member. 13585

(C) Members of the authority shall serve without 13586  
compensation, but shall receive their reasonable and necessary 13587  
expenses incurred in the conduct of authority business. The 13588  
governor shall designate a member of the authority to serve as 13589  
chairperson. A majority of the members of the authority 13590  
constitutes a quorum, and the affirmative vote of a majority of 13591  
the members present is necessary for any action taken by the 13592

authority. A vacancy in the membership of the authority does not 13593  
impair the right of a quorum to exercise all rights and perform 13594  
all duties of the authority. 13595

(D) The department of housing and development shall 13596  
provide the authority with office space and such technical 13597  
assistance as the authority requires. 13598

(E) The authority and an issuer may cooperate in promoting 13599  
the public purposes of the Ohio venture capital program as 13600  
stated in section 150.01 of the Revised Code and may enter into 13601  
such agreements as the authority and the issuer deem 13602  
appropriate, with a view to cooperative action and safeguarding 13603  
of the respective interests of the parties thereto. Such 13604  
agreements may provide for the rights, duties, and 13605  
responsibilities of the parties and any limitations thereon, the 13606  
terms on which any tax credits that may be issued to a trustee 13607  
for the benefit of the issuer pursuant to division (E) of 13608  
section 150.07 of the Revised Code are to be issued and claimed, 13609  
and such other terms as may be mutually satisfactory to the 13610  
parties including, but not limited to, requirements for 13611  
reporting, and a plan, prepared by a program administrator and 13612  
acceptable to the authority and the issuer, designed to evidence 13613  
and ensure compliance with division (D) of section 150.03 of the 13614  
Revised Code and Section 2p of Article VIII, Ohio Constitution. 13615

**Sec. 151.40.** (A) As used in this section: 13616

(1) "Bond proceedings" includes any trust agreements, and 13617  
any amendments or supplements to them, as authorized by this 13618  
section. 13619

(2) "Costs of revitalization projects" includes related 13620  
direct administrative expenses and allocable portions of the 13621

direct costs of those projects of the department of housing and 13622  
development or the environmental protection agency. 13623

(3) "Issuing authority" means the treasurer of state. 13624

(4) "Obligations" means obligations as defined in section 13625  
151.01 of the Revised Code issued to pay the costs of projects 13626  
for revitalization purposes as referred to in division (A) (2) of 13627  
Section 2o of Article VIII, Ohio Constitution and division (A) 13628  
(2) of Section 2q of Article VIII, Ohio Constitution. 13629

(5) "Pledged liquor profits" means all receipts of the 13630  
state representing the gross profit on the sale of spirituous 13631  
liquor, as referred to in division (B) (4) of section 4301.10 of 13632  
the Revised Code, after paying all costs and expenses of the 13633  
division of liquor control and providing an adequate working 13634  
capital reserve for the division of liquor control as provided 13635  
in that division, but excluding the sum required by the second 13636  
paragraph of section 4301.12 of the Revised Code, as it was in 13637  
effect on May 2, 1980, to be paid into the state treasury. 13638

(6) "Pledged receipts" means, as and to the extent 13639  
provided in bond proceedings: 13640

(a) Pledged liquor profits. The pledge of pledged liquor 13641  
profits to obligations is subject to the priority of the pledge 13642  
of those profits to obligations issued and to be issued pursuant 13643  
to Chapter 166. of the Revised Code. 13644

(b) Moneys accruing to the state from the lease, sale, or 13645  
other disposition or use of revitalization projects or from the 13646  
repayment, including any interest, of loans or advances made 13647  
from net proceeds; 13648

(c) Accrued interest received from the sale of 13649  
obligations; 13650

(d) Income from the investment of the special funds; 13651

(e) Any gifts, grants, donations, or pledges, and receipts 13652  
therefrom, available for the payment of debt service; 13653

(f) Additional or any other specific revenues or receipts 13654  
lawfully available to be pledged, and pledged, pursuant to 13655  
further authorization by the general assembly, to the payment of 13656  
debt service. 13657

(B) (1) The issuing authority shall issue obligations of 13658  
the state to pay costs of revitalization projects pursuant to 13659  
division (B) (2) of Section 2o of Article VIII, Ohio 13660  
Constitution, division (B) (2) of Section 2q of Article VIII, 13661  
Ohio Constitution, section 151.01 of the Revised Code as 13662  
applicable to this section, and this section. Not more than four 13663  
hundred million dollars principal amount of obligations issued 13664  
under this section for revitalization purposes may be 13665  
outstanding at any one time. Not more than fifty million dollars 13666  
principal amount of obligations, plus the principal amount of 13667  
obligations that in any prior fiscal year could have been, but 13668  
were not issued within the fifty-million-dollar fiscal year 13669  
limit, may be issued in any fiscal year. 13670

(2) The provisions and authorizations in section 151.01 of 13671  
the Revised Code apply to the obligations and the bond 13672  
proceedings except as otherwise provided or provided for in 13673  
those obligations and bond proceedings. 13674

(C) Net proceeds of obligations shall be deposited in the 13675  
general revenue fund. 13676

(D) There is hereby created the revitalization projects 13677  
bond service fund, which shall be in the custody of the 13678  
treasurer of state, but shall be separate and apart from and not 13679

a part of the state treasury. All money received by the state 13680  
and required by the bond proceedings, consistent with section 13681  
151.01 of the Revised Code and this section, to be deposited, 13682  
transferred, or credited to the bond service fund, and all other 13683  
money transferred or allocated to or received for the purposes 13684  
of that fund, shall be deposited and credited to the bond 13685  
service fund, subject to any applicable provisions of the bond 13686  
proceedings, but without necessity for any act of appropriation. 13687  
During the period beginning with the date of the first issuance 13688  
of obligations and continuing during the time that any 13689  
obligations are outstanding in accordance with their terms, so 13690  
long as moneys in the bond service fund are insufficient to pay 13691  
debt service when due on those obligations payable from that 13692  
fund, except the principal amounts of bond anticipation notes 13693  
payable from the proceeds of renewal notes or bonds anticipated, 13694  
and due in the particular fiscal year, a sufficient amount of 13695  
pledged receipts is committed and, without necessity for further 13696  
act of appropriation, shall be paid to the bond service fund for 13697  
the purpose of paying that debt service when due. 13698

(E) The issuing authority may pledge all, or such portion 13699  
as the issuing authority determines, of the pledged receipts to 13700  
the payment of the debt service charges on obligations issued 13701  
under this section, and for the establishment and maintenance of 13702  
any reserves, as provided in the bond proceedings, and make 13703  
other provisions in the bond proceedings with respect to pledged 13704  
receipts as authorized by this section, which provisions are 13705  
controlling notwithstanding any other provisions of law 13706  
pertaining to them. 13707

(F) The issuing authority may covenant in the bond 13708  
proceedings, and such covenants shall be controlling 13709  
notwithstanding any other provision of law, that the state and 13710

applicable officers and state agencies, including the general 13711  
assembly, so long as any obligations issued under this section 13712  
are outstanding, shall maintain statutory authority for and 13713  
cause to be charged and collected wholesale or retail prices for 13714  
spirituous liquor sold by the state or its agents so that the 13715  
available pledged receipts are sufficient in time and amount to 13716  
meet debt service payable from pledged liquor profits and for 13717  
the establishment and maintenance of any reserves and other 13718  
requirements provided for in the bond proceedings. 13719

(G) Obligations may be further secured, as determined by 13720  
the issuing authority, by a trust agreement between the state 13721  
and a corporate trustee, which may be any trust company or bank 13722  
having a place of business within the state. Any trust agreement 13723  
may contain the resolution or order authorizing the issuance of 13724  
the obligations, any provisions that may be contained in any 13725  
bond proceedings, and other provisions that are customary or 13726  
appropriate in an agreement of that type, including, but not 13727  
limited to: 13728

(1) Maintenance of each pledge, trust agreement, or other 13729  
instrument comprising part of the bond proceedings until the 13730  
state has fully paid or provided for the payment of debt service 13731  
on the obligations secured by it; 13732

(2) In the event of default in any payments required to be 13733  
made by the bond proceedings, enforcement of those payments or 13734  
agreements by mandamus, the appointment of a receiver, suit in 13735  
equity, action at law, or any combination of them; 13736

(3) The rights and remedies of the holders or owners of 13737  
obligations and of the trustee and provisions for protecting and 13738  
enforcing them, including limitations on rights of individual 13739  
holders and owners. 13740

(H) The obligations shall not be general obligations of the state and the full faith and credit, revenue, and taxing power of the state shall not be pledged to the payment of debt service on them. The holders or owners of the obligations shall have no right to have any moneys obligated or pledged for the payment of debt service except as provided in this section and in the applicable bond proceedings. The rights of the holders and owners to payment of debt service are limited to all or that portion of the pledged receipts, and those special funds, pledged to the payment of debt service pursuant to the bond proceedings in accordance with this section, and each obligation shall bear on its face a statement to that effect.

**Sec. 153.59.** Every contract for or on behalf of the state, or any township, county, or municipal corporation of the state, for the construction, alteration, or repair of any public building or public work in the state shall contain provisions by which the contractor agrees to both of the following:

(A) That, in the hiring of employees for the performance of work under the contract or any subcontract, no contractor, subcontractor, or any person acting on a contractor's or subcontractor's behalf, by reason of race, creed, sex, disability or military status as defined in section 4112.01 of the Revised Code, or color, shall discriminate against any citizen of the state in the employment of labor or workers who is qualified and available to perform the work to which the employment relates;

(B) That no contractor, subcontractor, or any person on a contractor's or subcontractor's behalf, in any manner, shall discriminate against or intimidate any employee hired for the performance of work under the contract on account of race,

creed, sex, disability or military status as defined in section 13771  
4112.01 of the Revised Code, or color. 13772

The department of housing and development shall ensure 13773  
that no capital moneys appropriated by the general assembly for 13774  
any purpose shall be expended unless the project for which those 13775  
moneys are appropriated provides for an affirmative action 13776  
program for the employment and effective utilization of 13777  
disadvantaged persons whose disadvantage may arise from 13778  
cultural, racial, or ethnic background, or other similar cause, 13779  
including, but not limited to, race, religion, sex, disability 13780  
or military status as defined in section 4112.01 of the Revised 13781  
Code, national origin, or ancestry. 13782

In awarding contracts for capital improvement projects, 13783  
the department shall ensure that equal consideration be given to 13784  
contractors, subcontractors, or joint venturers who qualify as a 13785  
minority business enterprise. As used in this section, "minority 13786  
business enterprise" means a business enterprise that is owned 13787  
or controlled by one or more socially or economically 13788  
disadvantaged persons who are residents of this state. "Socially 13789  
or economically disadvantaged persons" means persons, regardless 13790  
of marital status, who are members of groups whose disadvantage 13791  
may arise from discrimination on the basis of race, religion, 13792  
sex, disability or military status as defined in section 4112.01 13793  
of the Revised Code, national origin, ancestry, or other similar 13794  
cause. 13795

**Sec. 164.02.** (A) There is hereby created the Ohio public 13796  
works commission consisting of seven members who shall be 13797  
appointed as follows: two persons shall be appointed by the 13798  
speaker of the house of representatives; one person shall be 13799  
appointed by the minority leader of the house of 13800



representatives; two persons shall be appointed by the president 13801  
of the senate; one person shall be appointed by the minority 13802  
leader of the senate; and one person from the private sector, 13803  
who shall have experience in matters of public finance, shall be 13804  
appointed alternately by the speaker of the house of 13805  
representatives and the president of the senate, with the 13806  
speaker of the house making the first appointment. The director 13807  
of transportation, the director of environmental protection, the 13808  
director of housing and development, the director of natural 13809  
resources, and the chairperson of the Ohio water development 13810  
authority shall be nonvoting, ex officio members of the 13811  
commission. Terms of office shall be for four years, each term 13812  
ending on the date that is four years from the date of 13813  
appointment. Members may be reappointed, to a subsequent ~~four-~~ 13814  
~~year-four-year~~ term, one time. Vacancies shall be filled in the 13815  
same manner provided for original appointments. Any member 13816  
appointed to fill a vacancy occurring prior to the expiration 13817  
date of the term for which the member's predecessor was 13818  
appointed shall hold office for the remainder of that term, and 13819  
may be reappointed for up to two subsequent ~~four-year-four-year~~ 13820  
terms. A member shall continue in office subsequent to the 13821  
expiration date of the member's term until the member's 13822  
successor takes office or until a period of sixty days has 13823  
elapsed, whichever occurs first. 13824

The commission shall elect a chairperson, vice- 13825  
chairperson, and other officers as it considers advisable. Four 13826  
voting members constitute a quorum. Members of the commission 13827  
shall serve without compensation but shall be reimbursed for 13828  
their actual and necessary expenses incurred in the performance 13829  
of their duties. 13830

(B) The Ohio public works commission shall: 13831

(1) Review and evaluate persons who will be recommended to 13832  
the governor for appointment to the position of director of the 13833  
Ohio public works commission, and, when the commission considers 13834  
it appropriate, recommend the removal of a director; 13835

(2) Provide the governor with a list of names of three 13836  
persons who are, in the judgment of the commission, qualified to 13837  
be appointed to the position of director. The commission shall 13838  
provide the list, which may include the name of the incumbent 13839  
director to the governor, not later than sixty days prior to the 13840  
expiration of the term of such incumbent director. A director 13841  
shall serve a two-year term upon initial appointment, and four- 13842  
year terms if subsequently reappointed by the governor; however, 13843  
the governor may remove a director at any time following the 13844  
commission's recommendation of such action. Upon the expiration 13845  
of a director's term, or in the case of the resignation, death, 13846  
or removal of a director, the commission shall provide such list 13847  
of the names of three persons to the governor within thirty days 13848  
of such expiration, resignation, death, or removal. Nothing in 13849  
this section shall prevent the governor, in the governor's 13850  
discretion, from rejecting all of the nominees of the commission 13851  
and requiring the commission to select three additional 13852  
nominees. However, when the governor has requested and received 13853  
a second list of three additional names, the governor shall make 13854  
the appointment from one of the names on the first list or the 13855  
second list. Appointment by the governor is subject to the 13856  
advice and consent of the senate. 13857

In the case of the resignation, removal, or death of the 13858  
director during the director's term of office, a successor shall 13859  
be chosen for the remainder of the term in the same manner as is 13860  
provided for an original appointment. 13861

(3) Provide oversight to the director and advise in the 13862  
development of policy guidelines for the implementation of this 13863  
chapter, and report and make recommendations to the general 13864  
assembly with respect to such implementation; 13865

(4) Adopt bylaws to govern the conduct of the commission's 13866  
business; 13867

(5) Appoint the members of the Ohio small government 13868  
capital improvements commission in accordance with division (C) 13869  
of this section. 13870

(C) (1) There is hereby created the Ohio small government 13871  
capital improvements commission. The commission shall consist of 13872  
ten members, including the director of transportation, the 13873  
director of environmental protection, and the chairperson of the 13874  
Ohio water development authority as nonvoting, ex officio 13875  
members and seven voting members appointed by the Ohio public 13876  
works commission. Each such appointee shall be a member of a 13877  
district public works integrating committee who was appointed to 13878  
the integrating committee pursuant to the majority vote of the 13879  
chief executive officers of the villages of the appointee's 13880  
district or by a majority of the boards of township trustees of 13881  
the appointee's district. 13882

(2) Two of the initial appointments shall be for terms 13883  
ending two years after March 29, 1988. The remaining initial 13884  
appointments shall be for terms ending three years after March 13885  
29, 1988. Thereafter, terms of office shall be for two years, 13886  
with each term ending on the same date of the same month as did 13887  
the term that it succeeds. Each member shall hold office from 13888  
the date of appointment until the end of the term for which the 13889  
member is appointed. Vacancies shall be filled in the same 13890  
manner as original appointments. Any member appointed to fill a 13891

vacancy occurring before the expiration date of the term for 13892  
which the member's predecessor was appointed shall hold office 13893  
as a member for the remainder of that term. A member shall 13894  
continue in office after the expiration of the member's term 13895  
until the member's successor takes office or until a period of 13896  
sixty days has elapsed, whichever occurs first. Members of the 13897  
commission may be reappointed. No more than two members of the 13898  
commission may be members of the same district public works 13899  
integrating committee. 13900

(3) The Ohio small government capital improvements 13901  
commission shall elect one of its appointed members as 13902  
chairperson and another as vice-chairperson. Four voting members 13903  
of the commission constitute a quorum, and the affirmative vote 13904  
of four appointed members is required for any action taken by 13905  
vote of the commission. No vacancy in the membership of the 13906  
commission shall impair the right of a quorum by an affirmative 13907  
vote of four appointed members to exercise all rights and 13908  
perform all duties of the commission. Members of the commission 13909  
shall serve without compensation, but shall be reimbursed for 13910  
their actual and necessary expenses incurred in the performance 13911  
of their duties. 13912

(D) The Ohio small government capital improvements 13913  
commission shall: 13914

(1) Advise the general assembly on the development of 13915  
policy guidelines for the implementation of this chapter, 13916  
especially as it relates to the interests of small governments 13917  
and the use of the portion of bond proceeds set aside for the 13918  
exclusive use of townships and villages; 13919

(2) Advise the township and village subcommittees of the 13920  
various district public works integrating committees concerning 13921

the selection of projects for which the use of such proceeds 13922  
will be authorized; 13923

(3) Affirm or overrule the recommendations of its 13924  
administrator made in accordance with section 164.051 of the 13925  
Revised Code concerning requests from townships and villages for 13926  
financial assistance for capital improvement projects. 13927

(E) Membership on the Ohio public works commission or the 13928  
Ohio small government capital improvements commission does not 13929  
constitute the holding of a public office. No appointed member 13930  
shall be required, by reason of section 101.26 of the Revised 13931  
Code, to resign from or forfeit membership in the general 13932  
assembly. 13933

Notwithstanding any provision of law to the contrary, a 13934  
county, municipal, or township public official may serve as a 13935  
member of the Ohio public works commission or the Ohio small 13936  
government capital improvements commission. 13937

Members of the commissions established by this section do 13938  
not have an unlawful interest in a public contract under section 13939  
2921.42 of the Revised Code solely by virtue of the receipt of 13940  
financial assistance under this chapter by the local subdivision 13941  
of which they are also a public official or appointee. 13942

**Sec. 165.01.** As used in this chapter: 13943

"Bonds" means bonds, notes, or other forms of evidences of 13944  
obligation issued in temporary or definitive form, including 13945  
notes issued in anticipation of the issuance of bonds and 13946  
renewal notes. The funding of bond anticipation notes with bonds 13947  
or renewal notes and the exchange of definitive bonds for 13948  
temporary bonds are not subject to section 165.07 of the Revised 13949  
Code. 13950

"Bond proceedings" means the resolution or ordinance or the trust agreement or indenture of mortgage, or combination thereof, authorizing or providing for the terms and conditions applicable to bonds issued under authority of this chapter.

"Issuer" means the state or a county, township, or municipal corporation of the state.

"Issuing authority" means in the case of the state, the director of housing and development~~services~~; in the case of a municipal corporation, the legislative authority thereof; in the case of a township, the board of township trustees; and in the case of a county, the board of county commissioners or whatever officers, board, commission, council, or other body might succeed to the legislative powers of the commissioners.

"Pledged facilities" means the project or projects mortgaged or the rentals, revenues, and other income, charges, and moneys from which are pledged, or both, for the payment of the principal of and interest on the bonds issued under authority of section 165.03 of the Revised Code, and includes a project for which a loan has been made under authority of this chapter, in which case, references in this chapter to revenues of such pledged facilities or from the disposition thereof includes payments made or to be made to or for the account of the issuer pursuant to such loan.

"Project" means real or personal property, or both, including undivided and other interests therein, acquired by gift or purchase, constructed, reconstructed, enlarged, improved, furnished, or equipped, or any combination thereof, by an issuer, or by others in whole or in part from the proceeds of a loan made by an issuer, for industry, commerce, distribution, or research and located within the boundaries of the issuer.

"Project" includes sanitary facilities, drainage facilities, and 13981  
prevention or replacement facilities as defined in section 13982  
6117.01 of the Revised Code. A project as defined in this 13983  
division is hereby determined to qualify as facilities described 13984  
in Section 13 of Article VIII, Ohio Constitution. 13985

"Revenues" means the rentals, revenues, payments, 13986  
repayments, income, charges, and moneys derived or to be derived 13987  
from the use, lease, sublease, rental, sale, including 13988  
installment sale or conditional sale, or other disposition of 13989  
pledged facilities, or derived or to be derived pursuant to a 13990  
loan made for a project, bond proceeds to the extent provided in 13991  
the bond proceedings for the payment of principal of, or 13992  
premium, if any, or interest on the bonds, proceeds from any 13993  
insurance, condemnation or guaranty pertaining to pledged 13994  
facilities or the financing thereof, and income and profit from 13995  
the investment of the proceeds of bonds or of any revenues. 13996

"Security interest" means a mortgage, lien, or other 13997  
encumbrance on, or pledge or assignment of, or other security 13998  
interest with respect to all or any part of pledged facilities, 13999  
revenues, reserve funds, or other funds established under the 14000  
bond proceedings, or on, of, or with respect to, a lease, 14001  
sublease, sale, conditional sale or installment sale agreement, 14002  
loan agreement, or any other agreement pertaining to the lease, 14003  
sublease, sale, or other disposition of a project or pertaining 14004  
to a loan made for a project, or any guaranty or insurance 14005  
agreement made with respect thereto, or any interest of the 14006  
issuer therein, or any other interest granted, assigned, or 14007  
released to secure payments of the principal of, premium, if 14008  
any, or interest on any bonds or to secure any other payments to 14009  
be made by an issuer under the bond proceedings. Any security 14010  
interest under this chapter may be prior or subordinate to or on 14011

a parity with any other mortgage, lien, encumbrance, pledge,  
assignment, or other security interest.

**Sec. 165.03.** (A) An issuer may issue bonds for the purpose  
of providing moneys to acquire by purchase, construct,  
reconstruct, enlarge, improve, furnish, or equip one or more  
projects or parts thereof, or for any combination of such  
purposes, including providing moneys to make loans to others for  
such purposes. The issuing authority shall provide by resolution  
or ordinance for the issuance of such bonds. The bond  
proceedings may contain determinations by the issuing authority  
that the project to be financed thereunder is a project as  
defined in this chapter and is consistent with the purposes of  
Section 13 of Article VIII, Ohio Constitution, and such  
determinations shall be conclusive as to the validity and  
enforceability of the bonds issued under such bond proceedings  
and of such bond proceedings and security interests given and  
leases, subleases, sale agreements, loan agreements, and other  
agreements made in connection therewith, all in accordance with  
their terms.

The principal of and interest on the bonds and all other  
payments required to be made by the bond proceedings shall be  
payable solely from the revenues and secured by security  
interests as provided in such bond proceedings. Bond  
anticipation notes may be secured, solely or additionally, by a  
covenant of the issuer that it will do all things necessary for  
the issuance of the bonds anticipated or renewal notes in  
appropriate amount and either exchange such bonds or renewal  
notes for such notes or apply the proceeds therefrom to the  
extent necessary to make full payment of the principal of and  
interest on such notes. The bond proceedings shall not obligate  
or pledge moneys raised by taxation.



Bonds may be issued at one time or from time to time, 14043  
shall be dated, shall mature at such time or times not exceeding 14044  
thirty years from date of issue, and may be redeemable before 14045  
maturity at such price or prices and under such terms and 14046  
conditions, all as provided in the bond proceedings. The bonds 14047  
shall bear interest at such rate or rates, or at a variable rate 14048  
or rates changing from time to time in accordance with a base or 14049  
formula, as provided in or authorized by the bond proceedings. 14050  
The issuing authority shall determine the form of the bonds, fix 14051  
their denominations and method of execution, and establish 14052  
within or without the state a place or places for the payment of 14053  
principal or interest. 14054

(B) The issuing authority may provide for sales of bonds 14055  
at public or private sale as it deems most advantageous and for 14056  
such prices, whether above or below the par value thereof, as it 14057  
determines or within such limit or limits as it determines. 14058

(C) If the state is the issuer, then before the 14059  
authorization of the bonds, the issuing authority of the state 14060  
shall have received a written request for the issuance of the 14061  
bonds from either the board of directors of a port authority 14062  
created pursuant to the authority of section 4582.02 or 4582.22 14063  
of the Revised Code if the project is within the jurisdiction of 14064  
the port authority, from the issuing authority of the municipal 14065  
corporation if the project is within the boundaries of a 14066  
municipal corporation, or from the issuing authority of the 14067  
township or county if the project is within the unincorporated 14068  
portion of the township or county. 14069

(D) If the issuer is a county, township, or municipal 14070  
corporation, then, before the delivery of bonds issued under 14071  
authority of this section, the issuing authority shall have 14072

caused a written notice to have been mailed by certified mail to 14073  
the director of housing and development services of the state 14074  
advising such director of the proposed delivery of the bonds, 14075  
the amount thereof, the proposed lessee, and a general 14076  
description of the project or projects to be financed. 14077

(E) In case any officer who has signed any bonds or 14078  
coupons pertaining thereto, or caused the officer's facsimile 14079  
signature to be affixed thereto, ceases to be such officer 14080  
before such bonds or coupons have been delivered, such bonds or 14081  
coupons may, nevertheless, be issued and delivered as though the 14082  
person who had signed the bonds or coupons or caused the 14083  
person's facsimile signature to be affixed thereto had not 14084  
ceased to be such officer. Any bonds or coupons may be executed 14085  
on behalf of the issuer by an officer who, on the date of 14086  
execution, is the proper officer although on the date of such 14087  
bonds or coupons such person was not the proper officer. 14088

(F) All bonds issued under authority of this chapter, 14089  
regardless of form or terms and regardless of any other law to 14090  
the contrary, shall have all qualities and incidents of 14091  
negotiable instruments, subject to provisions for registration, 14092  
and may be issued in coupon, fully registered, or other form, or 14093  
any combination thereof, as the issuing authority determines. 14094  
Provision may be made for the registration of any coupon bonds 14095  
as to principal alone or as to both principal and interest, and 14096  
for the conversion into coupon bonds of any fully registered 14097  
bonds or bonds registered as to both principal and interest. 14098

**Sec. 165.20.** In accordance with Section 13 of Article 14099  
VIII, Ohio Constitution, the state, acting through the director 14100  
of housing and development, or through the board of trustees of 14101  
any state university or any housing commission created by 14102

section 3347.01 of the Revised Code, and its political 14103  
subdivision, taxing districts, or public authorities, or its or 14104  
their agencies, institutions, or instrumentalities, may by 14105  
resolution or ordinance designate a corporation organized under 14106  
Chapter 1702. or 1724. of the Revised Code as its or their 14107  
agency to acquire, construct, reconstruct, enlarge, improve, 14108  
furnish, or equip and to sell, lease, exchange, or otherwise 14109  
dispose of property and facilities within the state for 14110  
industry, commerce, distribution, and research; may approve such 14111  
corporation and obligations of the corporation issued by it for 14112  
one or more such purposes; and may have a beneficial interest in 14113  
such corporation including the right to the property financed by 14114  
such obligations on the retirement of such obligations, or by 14115  
acquiring such property for endowment or similar uses or 14116  
benefits or for ultimate direct use by it, subject to any lease 14117  
or mortgage securing such obligations. 14118

**Sec. 166.01.** As used in this chapter: 14119

(A) "Allowable costs" means all or part of the costs of 14120  
project facilities, eligible projects, eligible innovation 14121  
projects, eligible research and development projects, eligible 14122  
advanced energy projects, or eligible logistics and distribution 14123  
projects, including costs of acquiring, constructing, 14124  
reconstructing, rehabilitating, renovating, enlarging, 14125  
improving, equipping, or furnishing project facilities, eligible 14126  
projects, eligible innovation projects, eligible research and 14127  
development projects, eligible advanced energy projects, or 14128  
eligible logistics and distribution projects, site clearance and 14129  
preparation, supplementing and relocating public capital 14130  
improvements or utility facilities, designs, plans, 14131  
specifications, surveys, studies, and estimates of costs, 14132  
expenses necessary or incident to determining the feasibility or 14133

practicability of assisting an eligible project, an eligible 14134  
innovation project, an eligible research and development 14135  
project, an eligible advanced energy project, or an eligible 14136  
logistics and distribution project, or providing project 14137  
facilities or facilities related to an eligible project, an 14138  
eligible innovation project, an eligible research and 14139  
development project, an eligible advanced energy project, or an 14140  
eligible logistics and distribution project, architectural, 14141  
engineering, and legal services fees and expenses, the costs of 14142  
conducting any other activities as part of a voluntary action, 14143  
and such other expenses as may be necessary or incidental to the 14144  
establishment or development of an eligible project, an eligible 14145  
innovation project, an eligible research and development 14146  
project, an eligible advanced energy project, or an eligible 14147  
logistics and distribution project, and reimbursement of moneys 14148  
advanced or applied by any governmental agency or other person 14149  
for allowable costs. 14150

(B) "Allowable innovation costs" includes allowable costs 14151  
of eligible innovation projects and, in addition, includes the 14152  
costs of research and development of eligible innovation 14153  
projects; obtaining or creating any requisite software or 14154  
computer hardware related to an eligible innovation project or 14155  
the products or services associated therewith; testing 14156  
(including, without limitation, quality control activities 14157  
necessary for initial production), perfecting, and marketing of 14158  
such products and services; creating and protecting intellectual 14159  
property related to an eligible innovation project or any 14160  
products or services related thereto, including costs of 14161  
securing appropriate patent, trademark, trade secret, trade 14162  
dress, copyright, or other form of intellectual property 14163  
protection for an eligible innovation project or related 14164

products and services; all to the extent that such expenditures 14165  
could be capitalized under then-applicable generally accepted 14166  
accounting principles; and the reimbursement of moneys advanced 14167  
or applied by any governmental agency or other person for 14168  
allowable innovation costs. 14169

(C) "Eligible innovation project" includes an eligible 14170  
project, including any project facilities associated with an 14171  
eligible innovation project and, in addition, includes all 14172  
tangible and intangible property related to a new product or 14173  
process based on new technology or the creative application of 14174  
existing technology, including research and development, product 14175  
or process testing, quality control, market research, and 14176  
related activities, that is to be acquired, established, 14177  
expanded, remodeled, rehabilitated, or modernized for industry, 14178  
commerce, distribution, or research, or any combination thereof, 14179  
the operation of which, alone or in conjunction with other 14180  
eligible projects, eligible innovation projects, or innovation 14181  
property, will create new jobs or preserve existing jobs and 14182  
employment opportunities and improve the economic welfare of the 14183  
people of the state. 14184

(D) "Eligible project" means project facilities to be 14185  
acquired, established, expanded, remodeled, rehabilitated, or 14186  
modernized for industry, commerce, distribution, or research, or 14187  
any combination thereof, the operation of which, alone or in 14188  
conjunction with other facilities, will create new jobs or 14189  
preserve existing jobs and employment opportunities and improve 14190  
the economic welfare of the people of the state. "Eligible 14191  
project" includes, without limitation, a voluntary action. For 14192  
purposes of this division, "new jobs" does not include existing 14193  
jobs transferred from another facility within the state, and 14194  
"existing jobs" includes only those existing jobs with work 14195

places within the municipal corporation or unincorporated area 14196  
of the county in which the eligible project is located. 14197

"Eligible project" does not include project facilities to 14198  
be acquired, established, expanded, remodeled, rehabilitated, or 14199  
modernized for industry, commerce, distribution, or research, or 14200  
any combination of industry, commerce, distribution, or 14201  
research, if the project facilities consist solely of point-of- 14202  
final-purchase retail facilities. If the project facilities 14203  
consist of both point-of-final-purchase retail facilities and 14204  
nonretail facilities, only the portion of the project facilities 14205  
consisting of nonretail facilities is an eligible project. If a 14206  
warehouse facility is part of a point-of-final-purchase retail 14207  
facility and supplies only that facility, the warehouse facility 14208  
is not an eligible project. Catalog distribution facilities are 14209  
not considered point-of-final-purchase retail facilities for 14210  
purposes of this paragraph, and are eligible projects. 14211

(E) "Eligible research and development project" means an 14212  
eligible project, including project facilities, comprising, 14213  
within, or related to, a facility or portion of a facility at 14214  
which research is undertaken for the purpose of discovering 14215  
information that is technological in nature and the application 14216  
of which is intended to be useful in the development of a new or 14217  
improved product, process, technique, formula, or invention, a 14218  
new product or process based on new technology, or the creative 14219  
application of existing technology. 14220

(F) "Financial assistance" means inducements under 14221  
division (B) of section 166.02 of the Revised Code, loan 14222  
guarantees under section 166.06 of the Revised Code, and direct 14223  
loans under section 166.07 of the Revised Code. 14224

(G) "Governmental action" means any action by a 14225

governmental agency relating to the establishment, development, 14226  
or operation of an eligible project, eligible innovation 14227  
project, eligible research and development project, eligible 14228  
advanced energy project, or eligible logistics and distribution 14229  
project, and project facilities that the governmental agency 14230  
acting has authority to take or provide for the purpose under 14231  
law, including, but not limited to, actions relating to 14232  
contracts and agreements, zoning, building, permits, acquisition 14233  
and disposition of property, public capital improvements, 14234  
utility and transportation service, taxation, employee 14235  
recruitment and training, and liaison and coordination with and 14236  
among governmental agencies. 14237

(H) "Governmental agency" means the state and any state 14238  
department, division, commission, institution or authority; a 14239  
municipal corporation, county, or township, and any agency 14240  
thereof, and any other political subdivision or public 14241  
corporation or the United States or any agency thereof; any 14242  
agency, commission, or authority established pursuant to an 14243  
interstate compact or agreement; and any combination of the 14244  
above. 14245

(I) "Innovation financial assistance" means inducements 14246  
under division (B) of section 166.12 of the Revised Code, 14247  
innovation Ohio loan guarantees under section 166.15 of the 14248  
Revised Code, and innovation Ohio loans under section 166.16 of 14249  
the Revised Code. 14250

(J) "Innovation Ohio loan guarantee reserve requirement" 14251  
means, at any time, with respect to innovation loan guarantees 14252  
made under section 166.15 of the Revised Code, a balance in the 14253  
innovation Ohio loan guarantee fund equal to the greater of 14254  
twenty per cent of the then-outstanding principal amount of all 14255

outstanding innovation loan guarantees made pursuant to section 14256  
166.15 of the Revised Code or fifty per cent of the principal 14257  
amount of the largest outstanding guarantee made pursuant to 14258  
section 166.15 of the Revised Code. 14259

(K) "Innovation property" includes property and also 14260  
includes software, inventory, licenses, contract rights, 14261  
goodwill, intellectual property, including without limitation, 14262  
patents, patent applications, trademarks and service marks, and 14263  
trade secrets, and other tangible and intangible property, and 14264  
any rights and interests in or connected to the foregoing. 14265

(L) "Loan guarantee reserve requirement" means, at any 14266  
time, with respect to loan guarantees made under section 166.06 14267  
of the Revised Code, a balance in the loan guarantee fund equal 14268  
to the greater of twenty per cent of the then-outstanding 14269  
principal amount of all outstanding guarantees made pursuant to 14270  
section 166.06 of the Revised Code or fifty per cent of the 14271  
principal amount of the largest outstanding guarantee made 14272  
pursuant to section 166.06 of the Revised Code. 14273

(M) "Person" means any individual, firm, partnership, 14274  
association, corporation, or governmental agency, and any 14275  
combination thereof. 14276

(N) "Project facilities" means buildings, structures, and 14277  
other improvements, and equipment and other property, excluding 14278  
small tools, supplies, and inventory, and any one, part of, or 14279  
combination of the above, comprising all or part of, or serving 14280  
or being incidental to, an eligible project, an eligible 14281  
innovation project, an eligible research and development 14282  
project, an eligible advanced energy project, or an eligible 14283  
logistics and distribution project, including, but not limited 14284  
to, public capital improvements. 14285



(O) "Property" means real and personal property and 14286  
interests therein. 14287

(P) "Public capital improvements" means capital 14288  
improvements or facilities that any governmental agency has 14289  
authority to acquire, pay the costs of, own, maintain, or 14290  
operate, or to contract with other persons to have the same 14291  
done, including, but not limited to, highways, roads, streets, 14292  
water and sewer facilities, railroad and other transportation 14293  
facilities, and air and water pollution control and solid waste 14294  
disposal facilities. For purposes of this division, "air 14295  
pollution control facilities" includes, without limitation, 14296  
solar, geothermal, biofuel, biomass, wind, hydro, wave, and 14297  
other advanced energy projects as defined in section 3706.25 of 14298  
the Revised Code. 14299

(Q) "Research and development financial assistance" means 14300  
inducements under section 166.17 of the Revised Code, research 14301  
and development loans under section 166.21 of the Revised Code, 14302  
and research and development tax credits under sections 5733.352 14303  
and 5747.331 of the Revised Code. 14304

(R) "Targeted innovation industry sectors" means industry 14305  
sectors involving the production or use of advanced materials, 14306  
instruments, controls and electronics, power and propulsion, 14307  
biosciences, and information technology, or such other sectors 14308  
as may be designated by the director of housing and development. 14309

(S) "Voluntary action" means a voluntary action, as 14310  
defined in section 3746.01 of the Revised Code, that is 14311  
conducted under the voluntary action program established in 14312  
Chapter 3746. of the Revised Code. 14313

(T) "Project financing obligations" means obligations 14314

issued pursuant to section 166.08 of the Revised Code other than 14315  
obligations for which the bond proceedings provide that bond 14316  
service charges shall be paid from receipts of the state 14317  
representing gross profit on the sale of spirituous liquor as 14318  
referred to in division (B) (4) of section ~~4310.10~~ 4301.10 of the 14319  
Revised Code. 14320

(U) "Regional economic development entity" means an entity 14321  
that is under contract with the director to administer a loan 14322  
program under this chapter in a particular area of this state. 14323

(V) "Eligible advanced energy project" means an eligible 14324  
project that is an "advanced energy project" as defined in 14325  
section 3706.25 of the Revised Code. 14326

(W) "Eligible logistics and distribution project" means an 14327  
eligible project, including project facilities, to be acquired, 14328  
established, expanded, remodeled, rehabilitated, or modernized 14329  
for transportation logistics and distribution infrastructure 14330  
purposes. As used in this division, "transportation logistics 14331  
and distribution infrastructure purposes" means promoting, 14332  
providing for, and enabling improvements to the ground, air, and 14333  
water transportation infrastructure comprising the 14334  
transportation system in this state, including, without 14335  
limitation, highways, streets, roads, bridges, railroads 14336  
carrying freight, and air and water ports and port facilities, 14337  
and all related supporting facilities. 14338

**Sec. 166.02.** (A) The general assembly finds that many 14339  
local areas throughout the state are experiencing economic 14340  
stagnation or decline, and that the economic development 14341  
programs provided for in this chapter will constitute deserved, 14342  
necessary reinvestment by the state in those areas, materially 14343  
contribute to their economic revitalization, and result in 14344

improving the economic welfare of all the people of the state. 14345  
Accordingly, it is declared to be the public policy of the 14346  
state, through the operations of this chapter and other 14347  
applicable laws adopted pursuant to Section 2p or 13 of Article 14348  
VIII, Ohio Constitution, and other authority vested in the 14349  
general assembly, to assist in and facilitate the establishment 14350  
or development of eligible projects or assist and cooperate with 14351  
any governmental agency in achieving such purpose. 14352

(B) In furtherance of such public policy and to implement 14353  
such purpose, the director of housing and development may: 14354

(1) After consultation with appropriate governmental 14355  
agencies, enter into agreements with persons engaged in 14356  
industry, commerce, distribution, or research and with 14357  
governmental agencies to induce such persons to acquire, 14358  
construct, reconstruct, rehabilitate, renovate, enlarge, 14359  
improve, equip, or furnish, or otherwise develop, eligible 14360  
projects and make provision therein for project facilities and 14361  
governmental actions, as authorized by this chapter and other 14362  
applicable laws, subject to any required actions by the general 14363  
assembly or the controlling board and subject to applicable 14364  
local government laws and regulations; 14365

(2) Provide for the guarantees and loans as provided for 14366  
in sections 166.06 and 166.07 of the Revised Code; 14367

(3) Subject to release of such moneys by the controlling 14368  
board, contract for labor and materials needed for, or contract 14369  
with others, including governmental agencies, to provide, 14370  
project facilities the allowable costs of which are to be paid 14371  
for or reimbursed from moneys in the facilities establishment 14372  
fund, and contract for the operation of such project facilities; 14373

(4) Subject to release thereof by the controlling board, 14374  
from moneys in the facilities establishment fund acquire or 14375  
contract to acquire by gift, exchange, or purchase, including 14376  
the obtaining and exercise of purchase options, property, and 14377  
convey or otherwise dispose of, or provide for the conveyance or 14378  
disposition of, property so acquired or contracted to be 14379  
acquired by sale, exchange, lease, lease purchase, conditional 14380  
or installment sale, transfer, or other disposition, including 14381  
the grant of an option to purchase, to any governmental agency 14382  
or to any other person without necessity for competitive bidding 14383  
and upon such terms and conditions and manner of consideration 14384  
pursuant to and as the director determines to be appropriate to 14385  
satisfy the objectives of sections 166.01 to 166.11 of the 14386  
Revised Code; 14387

(5) Retain the services of or employ financial 14388  
consultants, appraisers, consulting engineers, superintendents, 14389  
managers, construction and accounting experts, attorneys, and 14390  
employees, agents, and independent contractors as are necessary 14391  
in the director's judgment and fix the compensation for their 14392  
services; 14393

(6) Receive and accept from any person grants, gifts, and 14394  
contributions of money, property, labor, and other things of 14395  
value, to be held, used and applied only for the purpose for 14396  
which such grants, gifts, and contributions are made; 14397

(7) Enter into appropriate arrangements and agreements 14398  
with any governmental agency for the taking or provision by that 14399  
governmental agency of any governmental action; 14400

(8) Do all other acts and enter into contracts and execute 14401  
all instruments necessary or appropriate to carry out the 14402  
provisions of this chapter; 14403

(9) Adopt rules to implement any of the provisions of this 14404  
chapter applicable to the director. 14405

(C) The determinations by the director that facilities 14406  
constitute eligible projects, that facilities are project 14407  
facilities, that costs of such facilities are allowable costs, 14408  
and all other determinations relevant thereto or to an action 14409  
taken or agreement entered into shall be conclusive for purposes 14410  
of the validity and enforceability of rights of parties arising 14411  
from actions taken and agreements entered into under this 14412  
chapter. 14413

(D) Except as otherwise prescribed in this chapter, all 14414  
expenses and obligations incurred by the director in carrying 14415  
out the director's powers and in exercising the director's 14416  
duties under this chapter, shall be payable solely from, as 14417  
appropriate, moneys in the facilities establishment fund, the 14418  
loan guarantee fund, the innovation Ohio loan guarantee fund, 14419  
the innovation Ohio loan fund, the research and development loan 14420  
fund, the logistics and distribution infrastructure fund, or 14421  
moneys appropriated for such purpose by the general assembly. 14422  
This chapter does not authorize the director or the issuing 14423  
authority under section 166.08 of the Revised Code to incur 14424  
bonded indebtedness of the state or any political subdivision 14425  
thereof, or to obligate or pledge moneys raised by taxation for 14426  
the payment of any bonds or notes issued or guarantees made 14427  
pursuant to this chapter. 14428

(E) Any governmental agency may enter into an agreement 14429  
with the director, any other governmental agency, or a person to 14430  
be assisted under this chapter, to take or provide for the 14431  
purposes of this chapter any governmental action it is 14432  
authorized to take or provide, and to undertake on behalf and at 14433

the request of the director any action which the director is 14434  
authorized to undertake pursuant to divisions (B) (3), (4), and 14435  
(5) of this section or divisions (B) (3), (4), and (5) of section 14436  
166.12 of the Revised Code. Governmental agencies of the state 14437  
shall cooperate with and provide assistance to the director of 14438  
housing and development and the controlling board in the 14439  
exercise of their respective functions under this chapter. 14440

**Sec. 166.03.** (A) There is hereby created the facilities 14441  
establishment fund within the state treasury, consisting of 14442  
proceeds from the issuance of obligations as specified under 14443  
section 166.08 of the Revised Code; the moneys received by the 14444  
state from the sources specified in section 166.09 of the 14445  
Revised Code; service charges imposed under sections 166.06 and 14446  
166.07 of the Revised Code; any grants, gifts, or contributions 14447  
of moneys received by the director of housing and development to 14448  
be used for loans made under section 166.07 of the Revised Code 14449  
or for the payment of the allowable costs of project facilities; 14450  
and all other moneys appropriated or transferred to the fund. 14451  
Moneys in the loan guarantee fund in excess of the loan 14452  
guarantee reserve requirement, but subject to the provisions and 14453  
requirements of any guarantee contracts, may be transferred to 14454  
the facilities establishment fund by the treasurer of state upon 14455  
the order of the director of housing and development. Moneys 14456  
received by the state under Chapter 122. of the Revised Code, to 14457  
the extent allocable to the utilization of moneys derived from 14458  
proceeds of the sale of obligations pursuant to section 166.08 14459  
of the Revised Code, shall be credited to the facilities 14460  
establishment fund. All investment earnings on the cash balance 14461  
in the fund shall be credited to the fund. 14462

(B) All moneys appropriated or transferred to the 14463  
facilities establishment fund may be released at the request of 14464

the director of housing and development for payment of allowable 14465  
costs or the making of loans under section 166.07 of the Revised 14466  
Code, for transfer to the loan guarantee fund established in 14467  
section 166.06 of the Revised Code, or for use for the purpose 14468  
of or transfer to the funds established by sections 122.35, 14469  
122.42, 122.54, 122.55, 122.56, 122.561, 122.57, 122.601, and 14470  
122.80 of the Revised Code and, until July 1, 2003, the fund 14471  
established by section 166.031 of the Revised Code, and, until 14472  
July 1, 2007, the fund established by section 122.26 of the 14473  
Revised Code, but only for such of those purposes as are within 14474  
the authorization of Section 13 of Article VIII, Ohio 14475  
Constitution, in all cases subject to the approval of the 14476  
controlling board. 14477

(C) The department of housing and development, in the 14478  
administration of the facilities establishment fund, is 14479  
encouraged to utilize and promote the utilization of, to the 14480  
maximum practicable extent, the other existing programs, 14481  
business incentives, and tax incentives that department is 14482  
required or authorized to administer or supervise. 14483

**Sec. 166.04.** (A) Prior to entering into each agreement to 14484  
provide assistance under sections 166.02, 166.06, and 166.07 of 14485  
the Revised Code, the director of housing and development 14486  
~~services~~ shall determine whether the assistance will conform to 14487  
the requirements of sections 166.01 to 166.11 of the Revised 14488  
Code. Such determination, and the facts upon which it is based, 14489  
shall be set forth, where required, by the director in 14490  
submissions made to the controlling board when the director 14491  
seeks a release of moneys under section 166.02 of the Revised 14492  
Code. An agreement to provide assistance under sections 166.02, 14493  
166.06, and 166.07 of the Revised Code shall set forth such 14494  
determination, which shall be conclusive for purposes of the 14495

validity and enforceability of such agreement and any loan 14496  
guarantees, loans, or other agreements entered into pursuant to 14497  
such agreement to provide assistance. 14498

(B) Whenever a person applies for financial assistance 14499  
under sections 166.02, 166.06, and 166.07 of the Revised Code 14500  
and the project for which assistance is requested is to relocate 14501  
facilities that are currently being operated by the person and 14502  
that are located in another county, municipal corporation, or 14503  
township, the person shall provide written notification of the 14504  
relocation to the appropriate local governmental bodies. Prior 14505  
to entering into an agreement to provide the assistance, the 14506  
director shall verify that such notification has been provided. 14507

(C) As used in division (B) of this section, "appropriate 14508  
local governmental bodies" means: 14509

(1) The board of county commissioners or legislative 14510  
authority of the county in which the facility to be replaced is 14511  
located; 14512

(2) The legislative authority of the municipal corporation 14513  
or the board of township trustees of the township in which the 14514  
facility to be replaced is located. 14515

**Sec. 166.05.** (A) In determining the projects to be 14516  
assisted and the nature, amount, and terms of assistance to be 14517  
provided for an eligible project under sections 166.02, 166.06, 14518  
and 166.07 of the Revised Code: 14519

(1) The director of housing and development ~~services~~ shall 14520  
take into consideration all of the following: 14521

(a) The number of jobs to be created or preserved, 14522  
directly or indirectly; 14523



- (b) Payrolls, and the taxes generated, at both state and 14524  
local levels, by the eligible project and by the employment 14525  
created or preserved by the eligible project; 14526
- (c) The size, nature, and cost of the eligible project, 14527  
including the prospect of the project for providing long-term 14528  
jobs in enterprises consistent with the changing economics of 14529  
the state and the nation; 14530
- (d) The needs, and degree of needs, of the area in which 14531  
the eligible project is to be located; 14532
- (e) The needs of any private sector enterprise to be 14533  
assisted; 14534
- (f) The competitive effect of the assistance on other 14535  
enterprises providing jobs for people of the state; 14536
- (g) The amount and kind of assistance, if any, to be 14537  
provided to the private sector enterprise by other governmental 14538  
agencies through tax exemption or abatement, financing 14539  
assistance with industrial development bonds, and otherwise, 14540  
with respect to the eligible project; 14541
- (h) The impact of the eligible project and its operations 14542  
on local government services, including school services, and on 14543  
public facilities; 14544
- (i) The effect of the assistance on the loss of or damage 14545  
to or destruction of prime farmland, or the removal from 14546  
agricultural production of prime farmland. As used in this 14547  
section, "prime farmland" means agricultural land that meets the 14548  
criteria for this classification as defined by the United States 14549  
soil conservation service. 14550
- (j) The length of time the operator of the project has 14551

been operating facilities within the state. 14552

(2) The benefits to the local area, including taxes, jobs, 14553  
and reduced unemployment and reduced welfare costs, among 14554  
others, may be accorded value in the leasing or sales of project 14555  
facilities and in loan and guarantee arrangements. 14556

(B) Prior to granting final approval of the assistance to 14557  
be provided, the director shall determine that the benefits to 14558  
be derived by the state and local area from the establishment or 14559  
development, and operation, of the eligible project will exceed 14560  
the cost of providing such assistance and shall submit to the 14561  
controlling board a copy of that determination including the 14562  
basis for the determination. 14563

(C) Financial statements and other data submitted to the 14564  
director of housing and development services or the controlling 14565  
board by any private sector person in connection with financial 14566  
assistance under sections 166.02, 166.06, and 166.07 of the 14567  
Revised Code, or any information taken from such statements or 14568  
data for any purpose, shall not be open to public inspection. 14569

**Sec. 166.06.** (A) Subject to any limitations as to 14570  
aggregate amounts thereof that may from time to time be 14571  
prescribed by the general assembly and to other applicable 14572  
provisions of this chapter, the director of housing and 14573  
development may, on behalf of the state, enter into contracts to 14574  
guarantee the repayment or payment of not more than ninety per 14575  
cent of the unpaid principal amount of loans made, including 14576  
bonds, notes, or other certificates issued or given to provide 14577  
funds, to pay allowable costs of eligible projects. Such 14578  
guarantees shall be secured solely by and payable solely from 14579  
the loan guarantee fund created by this section and unencumbered 14580  
and available moneys in the facilities establishment fund in the 14581

manner and to the extent provided in such guarantee contracts 14582  
consistent with this section. Such guarantees shall not 14583  
constitute general obligations of the state or of any political 14584  
subdivision, and moneys raised by taxation shall not be 14585  
obligated or pledged for the payment of such guarantees. 14586

(B) Before guaranteeing any such repayments or payments 14587  
the director shall determine that: 14588

(1) The project is an eligible project and is economically 14589  
sound; 14590

(2) The principal amount to be guaranteed does not exceed 14591  
ninety per cent of the allowable costs of the eligible project 14592  
as determined by the director. To assist the director in making 14593  
this determination, the director may, in the director's 14594  
discretion, engage an independent engineer, architect, 14595  
appraiser, or other professional pursuant to a contract to be 14596  
paid solely from the facilities establishment fund, subject to 14597  
controlling board approval. 14598

(3) The principal amount to be guaranteed has a 14599  
satisfactory maturity date or dates, which in no case shall be 14600  
later than twenty years from the effective date of the 14601  
guarantee; 14602

(4) The rate of interest on the loan to be guaranteed and 14603  
on any other loan made by the same parties or related persons 14604  
for the eligible project is not excessive; 14605

(5) The principal obligor, or primary guarantor, is 14606  
responsible and is reasonably expected to be able to meet the 14607  
payments under the loan, bonds, notes, or other certificates; 14608

(6) The loan or documents pertaining to the bonds, notes, 14609  
or other certificates to be guaranteed contains provisions for 14610

payment by the principal obligor, and is in such form and 14611  
contains such terms and provisions for the protection of the 14612  
lenders as are generally consistent with commercial practice, 14613  
including, where applicable, provisions with respect to property 14614  
insurance, repairs, alterations, payment of taxes and 14615  
assessments, delinquency charges, default remedies, acceleration 14616  
of maturity, prior, additional and secondary liens, and other 14617  
matters as the director may approve. 14618

(C) The contract of guarantee may make provision for the 14619  
conditions of, time for and manner of fulfillment of the 14620  
guarantee commitment, subrogation of the state to the rights of 14621  
the parties guaranteed and exercise of such parties' rights by 14622  
the state, giving the state the options of making payment of the 14623  
principal amount guaranteed in one or more installments and, if 14624  
deferred, to pay interest thereon from the loan guarantee fund 14625  
and the facilities establishment fund, any other terms or 14626  
conditions customary to such guarantees and as the director may 14627  
approve, and may contain provisions for securing the guarantee 14628  
in the manner consistent with this section, including, at the 14629  
discretion of the director, a lien provided for under section 14630  
9.661 of the Revised Code, and may contain covenants on behalf 14631  
of the state for the maintenance of the loan guarantee fund 14632  
created by this section and of receipts to it permitted by this 14633  
chapter, including covenants on behalf of the state to issue 14634  
obligations under section 166.08 of the Revised Code to provide 14635  
moneys to the loan guarantee fund to fulfill such guarantees and 14636  
covenants authorized by division (R)(1) of section 166.08 of the 14637  
Revised Code, and covenants restricting the aggregate amount of 14638  
guarantees that may be contracted under this section and 14639  
obligations that may be issued under section 166.08 of the 14640  
Revised Code, and terms pertinent to either, to better secure 14641

the parties guaranteed. 14642

(D) The "loan guarantee fund" of the economic development 14643  
program is hereby created as a special revenue fund and a trust 14644  
fund which shall be in the custody of the treasurer of state but 14645  
shall be separate and apart from and not a part of the state 14646  
treasury to consist of all grants, gifts, and contributions of 14647  
moneys or rights to moneys lawfully designated for or deposited 14648  
in such fund, all moneys and rights to moneys lawfully 14649  
appropriated and transferred to such fund, including moneys 14650  
received from the issuance of obligations under section 166.08 14651  
of the Revised Code, and moneys deposited to such fund pursuant 14652  
to division (F) of this section; provided that the loan 14653  
guarantee fund shall not be comprised, in any part, of moneys 14654  
raised by taxation. 14655

(E) The director may fix service charges for making a 14656  
guarantee. Such charges shall be payable at such times and place 14657  
and in such amounts and manner as may be prescribed by the 14658  
director. 14659

(F) The treasurer of state shall serve as agent for the 14660  
director in the making of deposits and withdrawals and 14661  
maintenance of records pertaining to the loan guarantee fund. 14662  
Prior to the director's entry into a contract providing for the 14663  
making of a guarantee payable from the loan guarantee fund, the 14664  
treasurer of state shall cause to be transferred from the 14665  
facilities establishment fund to the loan guarantee fund an 14666  
amount sufficient to make the aggregate balance therein, taking 14667  
into account the proposed loan guarantee, equal to the loan 14668  
guarantee reserve requirement. Thereafter, the treasurer of 14669  
state shall cause the balance in the loan guarantee fund to be 14670  
at least equal to the loan guarantee reserve requirement. Funds 14671

from the loan guarantee fund shall be disbursed under a 14672  
guarantee made pursuant to this section to satisfy a guaranteed 14673  
repayment or payment which is in default. The treasurer of state 14674  
shall first withdraw and transfer moneys then on deposit in the 14675  
loan guarantee fund. Whenever these moneys are inadequate to 14676  
meet the requirements of a guarantee, the treasurer of state 14677  
shall, without need of appropriation or further action by the 14678  
director, provide for a withdrawal and transfer to the loan 14679  
guarantee fund and then to the guaranteed party of moneys in 14680  
such amount as is necessary to meet the guarantee from 14681  
unencumbered and available moneys in the facilities 14682  
establishment fund. Such disbursements shall be made in the 14683  
manner and at the times provided in such guarantees. Within 14684  
ninety days following a disbursement of moneys from the loan 14685  
guarantee fund, the treasurer of state, without need of 14686  
appropriation or further action by the director, shall provide 14687  
for a withdrawal and transfer to the loan guarantee fund from 14688  
unencumbered and available moneys in the facilities 14689  
establishment fund, including moneys from the repayment of loans 14690  
made from that fund, of an amount sufficient to cause the 14691  
balance in the loan guarantee fund to be at least equal to the 14692  
loan guarantee reserve requirement. 14693

(G) Any guaranteed parties under this section, except to 14694  
the extent that their rights are restricted by the guarantee 14695  
documents, may by any suitable form of legal proceedings, 14696  
protect and enforce any rights under the laws of this state or 14697  
granted by such guarantee or guarantee documents. Such rights 14698  
include the right to compel the performance of all duties of the 14699  
director and the treasurer of state required by this section or 14700  
the guarantee or guarantee documents; and in the event of 14701  
default with respect to the payment of any guarantees, to apply 14702

to a court having jurisdiction of the cause to appoint a 14703  
receiver to receive and administer the moneys pledged to such 14704  
guarantee with full power to pay, and to provide for payment of, 14705  
such guarantee, and with such powers, subject to the direction 14706  
of the court, as are accorded receivers in general equity cases, 14707  
excluding any power to pledge or apply additional revenues or 14708  
receipts or other income or moneys of the state or governmental 14709  
agencies of the state to the payment of such guarantee. Each 14710  
duty of the director and the treasurer of state and their 14711  
officers and employees, and of each governmental agency and its 14712  
officers, members, or employees, required or undertaken pursuant 14713  
to this section or a guarantee made under authority of this 14714  
section, is hereby established as a duty of the director and the 14715  
treasurer of state, and of each such officer, member, or 14716  
employee having authority to perform such duty, specifically 14717  
enjoined by the law resulting from an office, trust, or station 14718  
within the meaning of section 2731.01 of the Revised Code. The 14719  
persons who are at the time the director and treasurer of state, 14720  
or their officers or employees, are not liable in their personal 14721  
capacities on any guarantees or contracts to make guarantees by 14722  
the director. 14723

(H) The determinations of the director under divisions (B) 14724  
and (C) of this section shall be conclusive for purposes of the 14725  
validity of a guarantee evidenced by a contract signed by the 14726  
director, and such guarantee shall be incontestable as to moneys 14727  
advanced under loans to which such guarantees are by their terms 14728  
applicable. 14729

**Sec. 166.07.** (A) The director of housing and development, 14730  
with the approval of the controlling board and subject to the 14731  
other applicable provisions of this chapter, may lend moneys in 14732  
the facilities establishment fund to persons for the purpose of 14733

paying allowable costs of an eligible project if the director 14734  
determines that: 14735

(1) The project is an eligible project and is economically 14736  
sound; 14737

(2) The borrower is unable to finance the necessary 14738  
allowable costs through ordinary financial channels upon 14739  
comparable terms; 14740

(3) The amount to be lent from the facilities 14741  
establishment fund will not exceed seventy-five per cent of the 14742  
total allowable costs of the eligible project, except that if 14743  
any part of the amount to be lent from the facilities 14744  
establishment fund is derived from the issuance and sale of 14745  
project financing obligations the amount to be lent will not 14746  
exceed ninety per cent of the total allowable costs of the 14747  
eligible project; 14748

(4) The eligible project could not be achieved in the 14749  
local area in which it is to be located if the portion of the 14750  
project to be financed by the loan instead were to be financed 14751  
by a loan guaranteed under section 166.06 of the Revised Code; 14752

(5) The repayment of the loan from the facilities 14753  
establishment fund will be adequately secured by a mortgage, 14754  
assignment, pledge, or lien provided for under section 9.661 of 14755  
the Revised Code, at such level of priority as the director may 14756  
require; 14757

(6) The borrower will hold at least a ten per cent equity 14758  
interest in the eligible project at the time the loan is made. 14759

(B) The determinations of the director under division (A) 14760  
of this section shall be conclusive for purposes of the validity 14761  
of a loan commitment evidenced by a loan agreement signed by the 14762



director. 14763

(C) ~~there~~ There is hereby established the micro-lending 14764  
program for the purpose of paying the allowable costs of 14765  
eligible projects of eligible small businesses. From any amount 14766  
that the general assembly designates for the purpose of the 14767  
micro-lending program, the director of housing and development 14768  
shall, either directly or indirectly, make loans under this 14769  
section to eligible small businesses. The director shall 14770  
establish eligibility criteria and loan terms for the program 14771  
that supplement eligibility criteria and loan terms otherwise 14772  
prescribed for loans under this section, and may prescribe 14773  
reduced service charges and fees. For the purpose of lending 14774  
under the micro-lending program, the director of housing and 14775  
development shall give precedence to projects of eligible small 14776  
businesses that foster the development of small entrepreneurial 14777  
enterprises, notwithstanding the considerations prescribed by 14778  
divisions (A) (1) (a) and (b) of section 166.05 of the Revised 14779  
Code to the extent those considerations otherwise may have the 14780  
effect of disqualifying projects of eligible small businesses. 14781  
The director may enter into agreements with for-profit or ~~non-~~ 14782  
~~profit~~ nonprofit organizations in this state to originate and 14783  
administer loans made. 14784

Fees, charges, rates of interest, times of payment of 14785  
interest and principal, and other terms, conditions, and 14786  
provisions of and security for loans made from the facilities 14787  
establishment fund pursuant to this section shall be such as the 14788  
director determines to be appropriate and in furtherance of the 14789  
purpose for which the loans are made. The moneys used in making 14790  
such loans shall be disbursed from the facilities establishment 14791  
fund upon order of the director. The director shall give special 14792  
consideration in setting the required job creation ratios and 14793

interest rates for loans that are for voluntary actions. 14794

(D) The director may take actions necessary or appropriate 14795  
to collect or otherwise deal with any loan made under this 14796  
section, including any action authorized by section 9.661 of the 14797  
Revised Code. 14798

(E) The director may fix service charges for the making of 14799  
a loan. Such charges shall be payable at such times and place 14800  
and in such amounts and manner as may be prescribed by the 14801  
director. 14802

**Sec. 166.08.** (A) As used in this chapter: 14803

(1) "Bond proceedings" means the resolution, order, trust 14804  
agreement, indenture, lease, and other agreements, amendments 14805  
and supplements to the foregoing, or any one or more or 14806  
combination thereof, authorizing or providing for the terms and 14807  
conditions applicable to, or providing for the security or 14808  
liquidity of, obligations issued pursuant to this section, and 14809  
the provisions contained in such obligations. 14810

(2) "Bond service charges" means principal, including 14811  
mandatory sinking fund requirements for retirement of 14812  
obligations, and interest, and redemption premium, if any, 14813  
required to be paid by the state on obligations. 14814

(3) "Bond service fund" means the applicable fund and 14815  
accounts therein created for and pledged to the payment of bond 14816  
service charges, which may be, or may be part of, the economic 14817  
development bond service fund created by division (S) of this 14818  
section including all moneys and investments, and earnings from 14819  
investments, credited and to be credited thereto. 14820

(4) "Issuing authority" means the treasurer of state, or 14821  
the officer who by law performs the functions of such officer. 14822

(5) "Obligations" means bonds, notes, or other evidence of obligation including interest coupons pertaining thereto, issued pursuant to this section.

(6) "Pledged receipts" means all receipts of the state representing the gross profit on the sale of spirituous liquor, as referred to in division (B) (4) of section 4301.10 of the Revised Code, after paying all costs and expenses of the division of liquor control and providing an adequate working capital reserve for the division of liquor control as provided in that division, but excluding the sum required by the second paragraph of section 4301.12 of the Revised Code, as in effect on May 2, 1980, to be paid into the state treasury; moneys accruing to the state from the lease, sale, or other disposition, or use, of project facilities, and from the repayment, including interest, of loans made from proceeds received from the sale of obligations; accrued interest received from the sale of obligations; income from the investment of the special funds; and any gifts, grants, donations, and pledges, and receipts therefrom, available for the payment of bond service charges.

(7) "Special funds" or "funds" means, except where the context does not permit, the bond service fund, and any other funds, including reserve funds, created under the bond proceedings, and the economic development bond service fund created by division (S) of this section to the extent provided in the bond proceedings, including all moneys and investments, and earnings from investment, credited and to be credited thereto.

(B) Subject to the limitations provided in section 166.11 of the Revised Code, the issuing authority, upon the

certification by the director of housing and development or, 14853  
~~prior to the effective date of this amendment~~ September 29, 14854  
2017, upon certification by the Ohio air quality development 14855  
authority regarding eligible advanced energy projects, to the 14856  
issuing authority of the amount of moneys or additional moneys 14857  
needed in the facilities establishment fund, the loan guarantee 14858  
fund, the innovation Ohio loan fund, the innovation Ohio loan 14859  
guarantee fund, the research and development loan fund, the 14860  
logistics and distribution infrastructure fund, the advanced 14861  
energy research and development fund, or the advanced energy 14862  
research and development taxable fund, as applicable, for the 14863  
purpose of paying, or making loans for, allowable costs from the 14864  
facilities establishment fund, allowable innovation costs from 14865  
the innovation Ohio loan fund, allowable costs from the research 14866  
and development loan fund, allowable costs from the logistics 14867  
and distribution infrastructure fund, allowable costs from the 14868  
advanced energy research and development fund, or allowable 14869  
costs from the advanced energy research and development taxable 14870  
fund, as applicable, or needed for capitalized interest, for 14871  
funding reserves, and for paying costs and expenses incurred in 14872  
connection with the issuance, carrying, securing, paying, 14873  
redeeming, or retirement of the obligations or any obligations 14874  
refunded thereby, including payment of costs and expenses 14875  
relating to letters of credit, lines of credit, insurance, put 14876  
agreements, standby purchase agreements, indexing, marketing, 14877  
remarketing and administrative arrangements, interest swap or 14878  
hedging agreements, and any other credit enhancement, liquidity, 14879  
remarketing, renewal, or refunding arrangements, all of which 14880  
are authorized by this section, or providing moneys for the loan 14881  
guarantee fund or the innovation Ohio loan guarantee fund, as 14882  
provided in this chapter or needed for the purposes of funds 14883  
established in accordance with or pursuant to sections 122.35, 14884

122.42, 122.54, 122.55, 122.56, 122.561, 122.57, and 122.80 of 14885  
the Revised Code which are within the authorization of Section 14886  
13 of Article VIII, Ohio Constitution, or, prior to ~~the~~ 14887  
~~effective date of this amendment~~ September 29, 2017, with 14888  
respect to certain eligible advanced energy projects, Section 2p 14889  
of Article VIII, Ohio Constitution, shall issue obligations of 14890  
the state under this section in the required amount; provided 14891  
that such obligations may be issued to satisfy the covenants in 14892  
contracts of guarantee made under section 166.06 or 166.15 of 14893  
the Revised Code, notwithstanding limitations otherwise 14894  
applicable to the issuance of obligations under this section. 14895  
The proceeds of such obligations, except for the portion to be 14896  
deposited in special funds, including reserve funds, as may be 14897  
provided in the bond proceedings, shall as provided in the bond 14898  
proceedings be deposited by the director of housing and 14899  
development to the facilities establishment fund, the loan 14900  
guarantee fund, the innovation Ohio loan guarantee fund, the 14901  
innovation Ohio loan fund, the research and development loan 14902  
fund, or the logistics and distribution infrastructure fund, or 14903  
be deposited by the Ohio air quality development authority prior 14904  
to ~~the effective date of this amendment~~ September 29, 2017, to 14905  
the advanced energy research and development fund or the 14906  
advanced energy research and development taxable fund. Bond 14907  
proceedings for project financing obligations may provide that 14908  
the proceeds derived from the issuance of such obligations shall 14909  
be deposited into such fund or funds provided for in the bond 14910  
proceedings and, to the extent provided for in the bond 14911  
proceedings, such proceeds shall be deemed to have been 14912  
deposited into the facilities establishment fund and transferred 14913  
to such fund or funds. The issuing authority may appoint 14914  
trustees, paying agents, and transfer agents and may retain the 14915  
services of financial advisors, accounting experts, and 14916

attorneys, and retain or contract for the services of marketing, 14917  
remarketing, indexing, and administrative agents, other 14918  
consultants, and independent contractors, including printing 14919  
services, as are necessary in the issuing authority's judgment 14920  
to carry out this section. The costs of such services are 14921  
allowable costs payable from the facilities establishment fund 14922  
or the research and development loan fund, allowable innovation 14923  
costs payable from the innovation Ohio loan fund, allowable 14924  
costs payable from the logistics and distribution infrastructure 14925  
fund, or allowable costs payable prior to ~~the effective date of~~ 14926  
~~this amendment~~ September 29, 2017, from the advanced energy 14927  
research and development fund or the advanced energy research 14928  
and development taxable fund, as applicable. 14929

(C) The holders or owners of such obligations shall have 14930  
no right to have moneys raised by taxation obligated or pledged, 14931  
and moneys raised by taxation shall not be obligated or pledged, 14932  
for the payment of bond service charges. Such holders or owners 14933  
shall have no rights to payment of bond service charges from any 14934  
moneys accruing to the state from the lease, sale, or other 14935  
disposition, or use, of project facilities, or from payment of 14936  
the principal of or interest on loans made, or fees charged for 14937  
guarantees made, or from any money or property received by the 14938  
director, treasurer of state, or the state under Chapter 122. of 14939  
the Revised Code, or from any other use of the proceeds of the 14940  
sale of the obligations, and no such moneys may be used for the 14941  
payment of bond service charges, except for accrued interest, 14942  
capitalized interest, and reserves funded from proceeds received 14943  
upon the sale of the obligations and except as otherwise 14944  
expressly provided in the applicable bond proceedings pursuant 14945  
to written directions by the director. The right of such holders 14946  
and owners to payment of bond service charges is limited to all 14947

or that portion of the pledged receipts and those special funds 14948  
pledged thereto pursuant to the bond proceedings in accordance 14949  
with this section, and each such obligation shall bear on its 14950  
face a statement to that effect. 14951

(D) Obligations shall be authorized by resolution or order 14952  
of the issuing authority and the bond proceedings shall provide 14953  
for the purpose thereof and the principal amount or amounts, and 14954  
shall provide for or authorize the manner or agency for 14955  
determining the principal maturity or maturities, not exceeding 14956  
twenty-five years from the date of issuance, the interest rate 14957  
or rates or the maximum interest rate, the date of the 14958  
obligations and the dates of payment of interest thereon, their 14959  
denomination, and the establishment within or without the state 14960  
of a place or places of payment of bond service charges. 14961  
Sections 9.98 to 9.983 of the Revised Code are applicable to 14962  
obligations issued under this section, subject to any applicable 14963  
limitation under section 166.11 of the Revised Code. The purpose 14964  
of such obligations may be stated in the bond proceedings in 14965  
terms describing the general purpose or purposes to be served. 14966  
The bond proceedings also shall provide, subject to the 14967  
provisions of any other applicable bond proceedings, for the 14968  
pledge of all, or such part as the issuing authority may 14969  
determine, of the pledged receipts and the applicable special 14970  
fund or funds to the payment of bond service charges, which 14971  
pledges may be made either prior or subordinate to other 14972  
expenses, claims, or payments, and may be made to secure the 14973  
obligations on a parity with obligations theretofore or 14974  
thereafter issued, if and to the extent provided in the bond 14975  
proceedings. The pledged receipts and special funds so pledged 14976  
and thereafter received by the state are immediately subject to 14977  
the lien of such pledge without any physical delivery thereof or 14978

further act, and the lien of any such pledges is valid and 14979  
binding against all parties having claims of any kind against 14980  
the state or any governmental agency of the state, irrespective 14981  
of whether such parties have notice thereof, and shall create a 14982  
perfected security interest for all purposes of Chapter 1309. of 14983  
the Revised Code, without the necessity for separation or 14984  
delivery of funds or for the filing or recording of the bond 14985  
proceedings by which such pledge is created or any certificate, 14986  
statement or other document with respect thereto; and the pledge 14987  
of such pledged receipts and special funds is effective and the 14988  
money therefrom and thereof may be applied to the purposes for 14989  
which pledged without necessity for any act of appropriation. 14990  
Every pledge, and every covenant and agreement made with respect 14991  
thereto, made in the bond proceedings may therein be extended to 14992  
the benefit of the owners and holders of obligations authorized 14993  
by this section, and to any trustee therefor, for the further 14994  
security of the payment of the bond service charges. 14995

(E) The bond proceedings may contain additional provisions 14996  
as to: 14997

(1) The redemption of obligations prior to maturity at the 14998  
option of the issuing authority at such price or prices and 14999  
under such terms and conditions as are provided in the bond 15000  
proceedings; 15001

(2) Other terms of the obligations; 15002

(3) Limitations on the issuance of additional obligations; 15003

(4) The terms of any trust agreement or indenture securing 15004  
the obligations or under which the same may be issued; 15005

(5) The deposit, investment and application of special 15006  
funds, and the safeguarding of moneys on hand or on deposit, 15007



without regard to Chapter 131. or 135. of the Revised Code, but 15008  
subject to any special provisions of this chapter, with respect 15009  
to particular funds or moneys, provided that any bank or trust 15010  
company which acts as depository of any moneys in the special 15011  
funds may furnish such indemnifying bonds or may pledge such 15012  
securities as required by the issuing authority; 15013

(6) Any or every provision of the bond proceedings being 15014  
binding upon such officer, board, commission, authority, agency, 15015  
department, or other person or body as may from time to time 15016  
have the authority under law to take such actions as may be 15017  
necessary to perform all or any part of the duty required by 15018  
such provision; 15019

(7) Any provision that may be made in a trust agreement or 15020  
indenture; 15021

(8) Any other or additional agreements with the holders of 15022  
the obligations, or the trustee therefor, relating to the 15023  
obligations or the security therefor, including the assignment 15024  
of mortgages or other security obtained or to be obtained for 15025  
loans under section 122.43, 166.07, or 166.16 of the Revised 15026  
Code. 15027

(F) The obligations may have the great seal of the state 15028  
or a facsimile thereof affixed thereto or printed thereon. The 15029  
obligations and any coupons pertaining to obligations shall be 15030  
signed or bear the facsimile signature of the issuing authority. 15031  
Any obligations or coupons may be executed by the person who, on 15032  
the date of execution, is the proper issuing authority although 15033  
on the date of such bonds or coupons such person was not the 15034  
issuing authority. If the issuing authority whose signature or a 15035  
facsimile of whose signature appears on any such obligation or 15036  
coupon ceases to be the issuing authority before delivery 15037

thereof, such signature or facsimile is nevertheless valid and 15038  
sufficient for all purposes as if the former issuing authority 15039  
had remained the issuing authority until such delivery; and if 15040  
the seal to be affixed to obligations has been changed after a 15041  
facsimile of the seal has been imprinted on such obligations, 15042  
such facsimile seal shall continue to be sufficient as to such 15043  
obligations and obligations issued in substitution or exchange 15044  
therefor. 15045

(G) All obligations are negotiable instruments and 15046  
securities under Chapter 1308. of the Revised Code, subject to 15047  
the provisions of the bond proceedings as to registration. The 15048  
obligations may be issued in coupon or in registered form, or 15049  
both, as the issuing authority determines. Provision may be made 15050  
for the registration of any obligations with coupons attached 15051  
thereto as to principal alone or as to both principal and 15052  
interest, their exchange for obligations so registered, and for 15053  
the conversion or reconversion into obligations with coupons 15054  
attached thereto of any obligations registered as to both 15055  
principal and interest, and for reasonable charges for such 15056  
registration, exchange, conversion, and reconversion. 15057

(H) Obligations may be sold at public sale or at private 15058  
sale, as determined in the bond proceedings. 15059

Obligations issued to provide moneys for the loan 15060  
guarantee fund or the innovation Ohio loan guarantee fund may, 15061  
as determined by the issuing authority, be sold at private sale, 15062  
and without publication of a notice of sale. 15063

(I) Pending preparation of definitive obligations, the 15064  
issuing authority may issue interim receipts or certificates 15065  
which shall be exchanged for such definitive obligations. 15066

(J) In the discretion of the issuing authority, 15067  
obligations may be secured additionally by a trust agreement or 15068  
indenture between the issuing authority and a corporate trustee 15069  
which may be any trust company or bank having a place of 15070  
business within the state. Any such agreement or indenture may 15071  
contain the resolution or order authorizing the issuance of the 15072  
obligations, any provisions that may be contained in any bond 15073  
proceedings, and other provisions which are customary or 15074  
appropriate in an agreement or indenture of such type, 15075  
including, but not limited to: 15076

(1) Maintenance of each pledge, trust agreement, 15077  
indenture, or other instrument comprising part of the bond 15078  
proceedings until the state has fully paid the bond service 15079  
charges on the obligations secured thereby, or provision 15080  
therefor has been made; 15081

(2) In the event of default in any payments required to be 15082  
made by the bond proceedings, or any other agreement of the 15083  
issuing authority made as a part of the contract under which the 15084  
obligations were issued, enforcement of such payments or 15085  
agreement by mandamus, the appointment of a receiver, suit in 15086  
equity, action at law, or any combination of the foregoing; 15087

(3) The rights and remedies of the holders of obligations 15088  
and of the trustee, and provisions for protecting and enforcing 15089  
them, including limitations on rights of individual holders of 15090  
obligations; 15091

(4) The replacement of any obligations that become 15092  
mutilated or are destroyed, lost, or stolen; 15093

(5) Such other provisions as the trustee and the issuing 15094  
authority agree upon, including limitations, conditions, or 15095

qualifications relating to any of the foregoing. 15096

(K) Any holders of obligations or trustees under the bond 15097  
proceedings, except to the extent that their rights are 15098  
restricted by the bond proceedings, may by any suitable form of 15099  
legal proceedings, protect and enforce any rights under the laws 15100  
of this state or granted by such bond proceedings. Such rights 15101  
include the right to compel the performance of all duties of the 15102  
issuing authority, the director of housing and development, the 15103  
Ohio air quality development authority, or the division of 15104  
liquor control required by this chapter or the bond proceedings; 15105  
to enjoin unlawful activities; and in the event of default with 15106  
respect to the payment of any bond service charges on any 15107  
obligations or in the performance of any covenant or agreement 15108  
on the part of the issuing authority, the director of housing 15109  
and development, the Ohio air quality development authority, or 15110  
the division of liquor control in the bond proceedings, to apply 15111  
to a court having jurisdiction of the cause to appoint a 15112  
receiver to receive and administer the pledged receipts and 15113  
special funds, other than those in the custody of the treasurer 15114  
of state, which are pledged to the payment of the bond service 15115  
charges on such obligations or which are the subject of the 15116  
covenant or agreement, with full power to pay, and to provide 15117  
for payment of bond service charges on, such obligations, and 15118  
with such powers, subject to the direction of the court, as are 15119  
accorded receivers in general equity cases, excluding any power 15120  
to pledge additional revenues or receipts or other income or 15121  
moneys of the issuing authority or the state or governmental 15122  
agencies of the state to the payment of such principal and 15123  
interest and excluding the power to take possession of, 15124  
mortgage, or cause the sale or otherwise dispose of any project 15125  
facilities. 15126

Each duty of the issuing authority and the issuing 15127  
authority's officers and employees, and of each governmental 15128  
agency and its officers, members, or employees, undertaken 15129  
pursuant to the bond proceedings or any agreement or lease, 15130  
lease-purchase agreement, or loan made under authority of this 15131  
chapter, and in every agreement by or with the issuing 15132  
authority, is hereby established as a duty of the issuing 15133  
authority, and of each such officer, member, or employee having 15134  
authority to perform such duty, specifically enjoined by the law 15135  
resulting from an office, trust, or station within the meaning 15136  
of section 2731.01 of the Revised Code. 15137

The person who is at the time the issuing authority, or 15138  
the issuing authority's officers or employees, are not liable in 15139  
their personal capacities on any obligations issued by the 15140  
issuing authority or any agreements of or with the issuing 15141  
authority. 15142

(L) The issuing authority may authorize and issue 15143  
obligations for the refunding, including funding and retirement, 15144  
and advance refunding with or without payment or redemption 15145  
prior to maturity, of any obligations previously issued by the 15146  
issuing authority. Such obligations may be issued in amounts 15147  
sufficient for payment of the principal amount of the prior 15148  
obligations, any redemption premiums thereon, principal 15149  
maturities of any such obligations maturing prior to the 15150  
redemption of the remaining obligations on a parity therewith, 15151  
interest accrued or to accrue to the maturity dates or dates of 15152  
redemption of such obligations, and any allowable costs 15153  
including expenses incurred or to be incurred in connection with 15154  
such issuance and such refunding, funding, and retirement. 15155  
Subject to the bond proceedings therefor, the portion of 15156  
proceeds of the sale of obligations issued under this division 15157

to be applied to bond service charges on the prior obligations 15158  
shall be credited to an appropriate account held by the trustee 15159  
for such prior or new obligations or to the appropriate account 15160  
in the bond service fund for such obligations. Obligations 15161  
authorized under this division shall be deemed to be issued for 15162  
those purposes for which such prior obligations were issued and 15163  
are subject to the provisions of this section pertaining to 15164  
other obligations, except as otherwise provided in this section; 15165  
provided that, unless otherwise authorized by the general 15166  
assembly, any limitations imposed by the general assembly 15167  
pursuant to this section with respect to bond service charges 15168  
applicable to the prior obligations shall be applicable to the 15169  
obligations issued under this division to refund, fund, advance 15170  
refund or retire such prior obligations. 15171

(M) The authority to issue obligations under this section 15172  
includes authority to issue obligations in the form of bond 15173  
anticipation notes and to renew the same from time to time by 15174  
the issuance of new notes. The holders of such notes or interest 15175  
coupons pertaining thereto shall have a right to be paid solely 15176  
from the pledged receipts and special funds that may be pledged 15177  
to the payment of the bonds anticipated, or from the proceeds of 15178  
such bonds or renewal notes, or both, as the issuing authority 15179  
provides in the resolution or order authorizing such notes. Such 15180  
notes may be additionally secured by covenants of the issuing 15181  
authority to the effect that the issuing authority and the state 15182  
will do such or all things necessary for the issuance of such 15183  
bonds or renewal notes in appropriate amount, and apply the 15184  
proceeds thereof to the extent necessary, to make full payment 15185  
of the principal of and interest on such notes at the time or 15186  
times contemplated, as provided in such resolution or order. For 15187  
such purpose, the issuing authority may issue bonds or renewal 15188

notes in such principal amount and upon such terms as may be 15189  
necessary to provide funds to pay when required the principal of 15190  
and interest on such notes, notwithstanding any limitations 15191  
prescribed by or for purposes of this section. Subject to this 15192  
division, all provisions for and references to obligations in 15193  
this section are applicable to notes authorized under this 15194  
division. 15195

The issuing authority in the bond proceedings authorizing 15196  
the issuance of bond anticipation notes shall set forth for such 15197  
bonds an estimated interest rate and a schedule of principal 15198  
payments for such bonds and the annual maturity dates thereof, 15199  
and for purposes of any limitation on bond service charges 15200  
prescribed under division (A) of section 166.11 of the Revised 15201  
Code, the amount of bond service charges on such bond 15202  
anticipation notes is deemed to be the bond service charges for 15203  
the bonds anticipated thereby as set forth in the bond 15204  
proceedings applicable to such notes, but this provision does 15205  
not modify any authority in this section to pledge receipts and 15206  
special funds to, and covenant to issue bonds to fund, the 15207  
payment of principal of and interest and any premium on such 15208  
notes. 15209

(N) Obligations issued under this section are lawful 15210  
investments for banks, societies for savings, savings and loan 15211  
associations, deposit guarantee associations, trust companies, 15212  
trustees, fiduciaries, insurance companies, including domestic 15213  
for life and domestic not for life, trustees or other officers 15214  
having charge of sinking and bond retirement or other special 15215  
funds of political subdivisions and taxing districts of this 15216  
state, the commissioners of the sinking fund of the state, the 15217  
administrator of workers' compensation, the state teachers 15218  
retirement system, the public employees retirement system, the 15219

school employees retirement system, and the Ohio police and fire 15220  
pension fund, notwithstanding any other provisions of the 15221  
Revised Code or rules adopted pursuant thereto by any 15222  
governmental agency of the state with respect to investments by 15223  
them, and are also acceptable as security for the deposit of 15224  
public moneys. 15225

(O) Unless otherwise provided in any applicable bond 15226  
proceedings, moneys to the credit of or in the special funds 15227  
established by or pursuant to this section may be invested by or 15228  
on behalf of the issuing authority only in notes, bonds, or 15229  
other obligations of the United States, or of any agency or 15230  
instrumentality of the United States, obligations guaranteed as 15231  
to principal and interest by the United States, obligations of 15232  
this state or any political subdivision of this state, and 15233  
certificates of deposit of any national bank located in this 15234  
state and any bank, as defined in section 1101.01 of the Revised 15235  
Code, subject to inspection by the superintendent of banks. If 15236  
the law or the instrument creating a trust pursuant to division 15237  
(J) of this section expressly permits investment in direct 15238  
obligations of the United States or an agency of the United 15239  
States, unless expressly prohibited by the instrument, such 15240  
moneys also may be invested in no-front-end-load money market 15241  
mutual funds consisting exclusively of obligations of the United 15242  
States or an agency of the United States and in repurchase 15243  
agreements, including those issued by the fiduciary itself, 15244  
secured by obligations of the United States or an agency of the 15245  
United States; and in common trust funds established in 15246  
accordance with section 1111.20 of the Revised Code and 15247  
consisting exclusively of any such securities, notwithstanding 15248  
division (A)(4) of that section. The income from such 15249  
investments shall be credited to such funds as the issuing 15250



authority determines, and such investments may be sold at such 15251  
times as the issuing authority determines or authorizes. 15252

(P) Provision may be made in the applicable bond 15253  
proceedings for the establishment of separate accounts in the 15254  
bond service fund and for the application of such accounts only 15255  
to the specified bond service charges on obligations pertinent 15256  
to such accounts and bond service fund and for other accounts 15257  
therein within the general purposes of such fund. Unless 15258  
otherwise provided in any applicable bond proceedings, moneys to 15259  
the credit of or in the several special funds established 15260  
pursuant to this section shall be disbursed on the order of the 15261  
treasurer of state, provided that no such order is required for 15262  
the payment from the bond service fund when due of bond service 15263  
charges on obligations. 15264

(Q) The issuing authority may pledge all, or such portion 15265  
as the issuing authority determines, of the pledged receipts to 15266  
the payment of bond service charges on obligations issued under 15267  
this section, and for the establishment and maintenance of any 15268  
reserves, as provided in the bond proceedings, and make other 15269  
provisions therein with respect to pledged receipts as 15270  
authorized by this chapter, which provisions are controlling 15271  
notwithstanding any other provisions of law pertaining thereto. 15272

(R) The issuing authority may covenant in the bond 15273  
proceedings, and any such covenants are controlling 15274  
notwithstanding any other provision of law, that the state and 15275  
applicable officers and governmental agencies of the state, 15276  
including the general assembly, so long as any obligations are 15277  
outstanding, shall: 15278

(1) Maintain statutory authority for and cause to be 15279  
charged and collected wholesale and retail prices for spirituous 15280

liquor sold by the state or its agents so that the pledged 15281  
receipts are sufficient in amount to meet bond service charges, 15282  
and the establishment and maintenance of any reserves and other 15283  
requirements provided for in the bond proceedings, and, as 15284  
necessary, to meet covenants contained in contracts of guarantee 15285  
made under section 166.06 of the Revised Code; 15286

(2) Take or permit no action, by statute or otherwise, 15287  
that would impair the exemption from federal income taxation of 15288  
the interest on the obligations. 15289

(S) There is hereby created the economic development bond 15290  
service fund, which shall be in the custody of the treasurer of 15291  
state but shall be separate and apart from and not a part of the 15292  
state treasury. All moneys received by or on account of the 15293  
issuing authority or state agencies and required by the 15294  
applicable bond proceedings, consistent with this section, to be 15295  
deposited, transferred, or credited to a bond service fund or 15296  
the economic development bond service fund, and all other moneys 15297  
transferred or allocated to or received for the purposes of the 15298  
fund, shall be deposited and credited to such fund and to any 15299  
separate accounts therein, subject to applicable provisions of 15300  
the bond proceedings, but without necessity for any act of 15301  
appropriation. During the period beginning with the date of the 15302  
first issuance of obligations and continuing during such time as 15303  
any such obligations are outstanding, and so long as moneys in 15304  
the pertinent bond service funds are insufficient to pay all 15305  
bond services charges on such obligations becoming due in each 15306  
year, a sufficient amount of the gross profit on the sale of 15307  
spirituous liquor included in pledged receipts are committed and 15308  
shall be paid to the bond service fund or economic development 15309  
bond service fund in each year for the purpose of paying the 15310  
bond service charges becoming due in that year without necessity 15311

for further act of appropriation for such purpose and 15312  
notwithstanding anything to the contrary in Chapter 4301. of the 15313  
Revised Code. The economic development bond service fund is a 15314  
trust fund and is hereby pledged to the payment of bond service 15315  
charges to the extent provided in the applicable bond 15316  
proceedings, and payment thereof from such fund shall be made or 15317  
provided for by the treasurer of state in accordance with such 15318  
bond proceedings without necessity for any act of appropriation. 15319

(T) The obligations, the transfer thereof, and the income 15320  
therefrom, including any profit made on the sale thereof, shall 15321  
at all times be free from taxation within the state. 15322

**Sec. 166.09.** There shall be credited to the facilities 15323  
establishment fund the moneys received by the state from the 15324  
repayment of loans and recovery on loan guarantees, including 15325  
interest thereon, made from the facilities establishment fund or 15326  
from the loan guarantee fund and from the sale, lease, or other 15327  
disposition of property acquired or constructed from moneys in 15328  
the facilities establishment fund with moneys derived from the 15329  
proceeds of the sale of obligations under section 166.08 of the 15330  
Revised Code. Such moneys shall be applied as provided in this 15331  
chapter pursuant to appropriations made by the general assembly. 15332  
Notwithstanding the foregoing, any amounts recovered on loan 15333  
guarantees shall be deposited to the credit of the loan 15334  
guarantee fund to the extent necessary to restore that fund to 15335  
the level required by any guarantee contract, and the other 15336  
moneys referred to in the first sentence of this section may be 15337  
deposited to the credit of separate accounts within the 15338  
facilities establishment fund or in the bond service fund and 15339  
pledged to the security of obligations, applied to the payment 15340  
of bond service charges without need for appropriation, released 15341  
from any such pledge and transferred to the facilities 15342

establishment fund or other account therein, all as and to the 15343  
extent provided in the bond proceedings pursuant to written 15344  
directions by the director of housing and development. Accounts 15345  
may be established by the director in the facilities 15346  
establishment fund for particular projects or otherwise. Income 15347  
from the investment of moneys in the facilities establishment 15348  
fund shall be credited to that fund and, as may be provided in 15349  
bond proceedings, to particular accounts therein. The treasurer 15350  
of state may withdraw from the facilities establishment fund or, 15351  
subject to provisions of the applicable bond proceedings, from 15352  
any special funds established pursuant to the bond proceedings, 15353  
or from any accounts in such funds, any amounts of investment 15354  
income required to be rebated and paid to the federal government 15355  
in order to maintain the exemption from federal income taxation 15356  
of interest on obligations issued under this chapter, which 15357  
withdrawal and payment may be made without necessity for 15358  
appropriation. 15359

**Sec. 166.12.** (A) The general assembly finds that in order 15360  
to maintain and enhance the competitiveness of the Ohio economy 15361  
and to improve the economic welfare of all of the people of the 15362  
state, it is necessary to ensure that high-value jobs based on 15363  
research, technology, and innovation will be available to the 15364  
people of this state. Further, the general assembly finds that 15365  
the attraction of such jobs and their presence in this state 15366  
will materially contribute to the economic welfare of all of the 15367  
people of the state. Accordingly, it is declared to be the 15368  
public policy of this state, through the operations under 15369  
sections 166.01 and 166.12 to 166.16 of the Revised Code, and 15370  
the loan and loan guarantee provisions contained in those 15371  
sections, applicable laws adopted pursuant to Section 13 of 15372  
Article VIII, Ohio Constitution, and other authority vested in 15373

the general assembly, to assist in and facilitate the 15374  
establishment or development of eligible innovation projects or 15375  
assist and cooperate with any governmental agency in achieving 15376  
that purpose. 15377

(B) In furtherance of that public policy and to implement 15378  
that purpose, the director of housing and development may: 15379

(1) After consultation with appropriate governmental 15380  
agencies, enter into agreements with persons engaged in 15381  
industry, commerce, distribution, or research and with 15382  
governmental agencies to induce such persons to acquire, 15383  
construct, reconstruct, rehabilitate, renovate, enlarge, 15384  
improve, equip, or furnish, or otherwise develop, eligible 15385  
innovation projects and make provision therein for project 15386  
facilities and governmental actions, as authorized by sections 15387  
166.01 and 166.12 to 166.16 of the Revised Code and other 15388  
applicable laws; 15389

(2) Provide for innovation Ohio loan guarantees and loans 15390  
under sections 166.15 and 166.16 of the Revised Code; 15391

(3) Subject to the release of such moneys by the 15392  
controlling board, contract for labor and materials needed for, 15393  
or contract with others, including governmental agencies, to 15394  
provide, eligible innovation projects the allowable innovation 15395  
costs of which are to be paid for or reimbursed from moneys in 15396  
the innovation Ohio loan fund, and contract for the operation of 15397  
such eligible innovation projects; 15398

(4) Subject to release thereof by the controlling board, 15399  
from moneys in the innovation Ohio loan fund, acquire or 15400  
contract to acquire by gift, exchange, or purchase, including 15401  
the obtaining and exercise of purchase options, innovation 15402

property, and convey or otherwise dispose of, or provide for the 15403  
conveyance or disposition of, innovation property so acquired or 15404  
contracted to be acquired by sale, exchange, lease, lease 15405  
purchase, conditional or installment sale, transfer, or other 15406  
disposition, including the grant of an option to purchase, to 15407  
any governmental agency or to any other person without necessity 15408  
for competitive bidding and upon such terms and conditions and 15409  
manner of consideration pursuant to, and as the director 15410  
determines to be appropriate to satisfy the objectives of, 15411  
Chapter 166. of the Revised Code; 15412

(5) Retain the services of or employ financial 15413  
consultants, appraisers, consulting engineers, superintendents, 15414  
managers, construction and accounting experts, attorneys, and 15415  
employees, agents, and independent contractors as are necessary 15416  
in the director's judgment and fix the compensation for their 15417  
services; 15418

(6) Receive and accept from any person grants, gifts, and 15419  
contributions of money, property, labor, and other things of 15420  
value, to be held, used, and applied only for the purpose for 15421  
which such grants, gifts, and contributions are made; 15422

(7) Enter into appropriate arrangements and agreements 15423  
with any governmental agency for the taking or provision by that 15424  
governmental agency of any governmental action with respect to 15425  
innovation projects; 15426

(8) Do all other acts and enter into contracts and execute 15427  
all instruments necessary or appropriate to carry out the 15428  
provisions of sections 166.01 and 166.12 to 166.16 of the 15429  
Revised Code; 15430

(9) With respect to property, including but not limited to 15431

innovation property, take such interests, including but not 15432  
limited to mortgages, security interests, assignments, and 15433  
exclusive or non-exclusive licenses, as may be necessary or 15434  
appropriate under the circumstances, to ensure that innovation 15435  
property is used within this state and that products or services 15436  
associated with that innovation property are produced or, in the 15437  
case of services, delivered, by persons employed within this 15438  
state; 15439

(10) Adopt rules necessary to implement any of the 15440  
provisions of sections 166.01 and 166.12 to 166.16 of the 15441  
Revised Code applicable to the director. 15442

(C) The determinations by the director that facilities or 15443  
property constitute eligible innovation projects and that costs 15444  
of such facilities or property are allowable innovation costs, 15445  
and all other determinations relevant thereto or to an action 15446  
taken or agreement entered into, shall be conclusive for 15447  
purposes of the validity and enforceability of rights of parties 15448  
arising from actions taken and agreements entered into under 15449  
sections 166.01 and 166.12 to 166.16 of the Revised Code. 15450

**Sec. 166.13.** (A) Prior to entering into each agreement to 15451  
provide innovation financial assistance under sections 166.12, 15452  
166.15, and 166.16 of the Revised Code, the director of housing 15453  
and development services shall determine whether the assistance 15454  
will conform to the requirements of sections 166.12 to 166.16 of 15455  
the Revised Code. Such determination, and the facts upon which 15456  
it is based, shall be set forth by the director in submissions 15457  
made to the controlling board when the director seeks a release 15458  
of moneys under section 166.12 of the Revised Code. An agreement 15459  
to provide assistance under sections 166.12, 166.15, and 166.16 15460  
of the Revised Code shall set forth the determination, which 15461

shall be conclusive for purposes of the validity and 15462  
enforceability of the agreement and any innovation loan 15463  
guarantees, innovation loans, or other agreements entered into 15464  
pursuant to the agreement to provide innovation financial 15465  
assistance. 15466

(B) Whenever a person applies for innovation financial 15467  
assistance under sections 166.12, 166.15, and 166.16 of the 15468  
Revised Code and the eligible innovation project for which 15469  
innovation financial assistance is requested is to relocate an 15470  
eligible innovation project that is currently being operated by 15471  
the person and that is located in another county, municipal 15472  
corporation, or township, the person shall provide written 15473  
notification to the appropriate local governmental bodies and 15474  
state officials. The director may not enter into an agreement to 15475  
provide innovation financial assistance until the director 15476  
determines that the appropriate local government bodies and 15477  
state officials have been notified. 15478

(C) As used in division (B) of this section: 15479

(1) "Appropriate local governmental bodies" means: 15480

(a) The boards of county commissioners or legislative 15481  
authorities of the county in which the project for which 15482  
innovation financial assistance is requested is located and of 15483  
the county in which the eligible innovation project to be 15484  
replaced is located; 15485

(b) The legislative authority of the municipal corporation 15486  
or the board of township trustees of the township in which the 15487  
eligible innovation project for which innovation financial 15488  
assistance is requested is located; and 15489

(c) The legislative authority of the municipal corporation 15490



or the board of township trustees of the township in which the 15491  
eligible innovation project to be replaced is located. 15492

(2) "State officials" means: 15493

(a) The state representative and state senator in whose 15494  
districts the project for which innovation financial assistance 15495  
is requested is located; 15496

(b) The state representative and state senator in whose 15497  
districts the innovation project to be replaced is located. 15498

**Sec. 166.14.** (A) In determining the eligible innovation 15499  
projects to be assisted and the nature, amount, and terms of 15500  
innovation financial assistance to be provided for an eligible 15501  
innovation project under sections 166.12 to 166.16 of the 15502  
Revised Code: 15503

(1) The director of housing and development services shall 15504  
take into consideration all of the following: 15505

(a) The number of jobs to be created or preserved by the 15506  
eligible innovation project, directly or indirectly; 15507

(b) Payrolls, and the taxes generated, at both state and 15508  
local levels, by or in connection with the eligible innovation 15509  
project and by the employment created or preserved by or in 15510  
connection with the eligible innovation project; 15511

(c) The size, nature, and cost of the eligible innovation 15512  
project, including the prospect of the eligible innovation 15513  
project for providing long-term jobs in enterprises consistent 15514  
with the changing economics of the state and the nation; 15515

(d) The needs of any private sector enterprise to be 15516  
assisted; 15517

(e) The amount and kind of assistance, if any, to be 15518  
provided to the private sector enterprise by other governmental 15519  
agencies through tax exemption or abatement, financing 15520  
assistance with industrial development bonds, and otherwise, 15521  
with respect to the eligible innovation project or with respect 15522  
to any providers of innovation property to be included as part 15523  
of the eligible innovation project; 15524

(f) The likelihood of the successful implementation of the 15525  
proposed eligible innovation project; 15526

(g) Whether the eligible innovation project involves the 15527  
use of technology in a targeted innovation industry sector. 15528

(2) The benefits to the local area, including taxes, jobs, 15529  
and reduced unemployment and reduced welfare costs, among 15530  
others, may be accorded value in the leasing or sales of 15531  
innovation project facilities and in loan and guarantee 15532  
arrangements. 15533

(3) In making determinations under division (A) (1) of this 15534  
section, the director may consider the effect of an eligible 15535  
innovation project upon any entity engaged to provide innovation 15536  
property to be acquired, leased, or licensed in connection with 15537  
such assistance. 15538

(B) Financial statements and other data submitted to the 15539  
director of housing and development services ~~services~~ or the controlling 15540  
board by any private sector person in connection with innovation 15541  
financial assistance under sections 166.12, 166.15, and 166.16 15542  
of the Revised Code, or any information taken from such 15543  
statements or data for any purpose, shall not be open to public 15544  
inspection. 15545

**Sec. 166.15.** (A) Subject to any limitations as to 15546

aggregate amounts thereof that may from time to time be 15547  
prescribed by the general assembly and to other applicable 15548  
provisions of this chapter, the director of housing and 15549  
development may, on behalf of the state, enter into contracts to 15550  
guarantee the repayment or payment of the unpaid principal 15551  
amount of loans made, including bonds, notes, or other 15552  
certificates issued or given to provide funds, to pay allowable 15553  
innovation costs of eligible innovation projects. The guarantees 15554  
shall be secured solely by and payable solely from the 15555  
innovation Ohio loan guarantee fund and unencumbered and 15556  
available moneys in the innovation Ohio loan fund, in the manner 15557  
and to the extent provided in guarantee contracts consistent 15558  
with this section. The guarantees shall not constitute general 15559  
obligations of the state or of any political subdivision, and 15560  
moneys raised by taxation shall not be obligated or pledged for 15561  
the payment of the guarantees. 15562

(B) Before guaranteeing any such repayments or payments, 15563  
the director shall determine that: 15564

(1) The project is an eligible innovation project and is 15565  
economically sound. 15566

(2) The principal amount to be guaranteed does not exceed 15567  
ninety per cent of the allowable innovation costs of the 15568  
eligible innovation project as determined by the director. In 15569  
making this determination, the director may, in the director's 15570  
discretion, engage an independent engineer, architect, 15571  
appraiser, or other professional to make it, pursuant to a 15572  
contract to be paid solely from the innovation Ohio loan fund, 15573  
subject to approval of the controlling board. 15574

(3) The principal amount to be guaranteed has a 15575  
satisfactory maturity date or dates, which in no case shall be 15576

later than twenty years from the effective date of the 15577  
guarantee. 15578

(4) The principal obligor, or primary guarantor, is 15579  
responsible and is reasonably expected to be able to meet the 15580  
payments under the loan, bonds, notes, or other certificates. 15581

(5) The loan or documents pertaining to the bonds, notes, 15582  
or other certificates to be guaranteed contains provisions for 15583  
payment by the principal obligor satisfactory to the director 15584  
and is in such form and contains such terms and provisions for 15585  
the protection of the lenders as are generally consistent with 15586  
commercial practice for the type of eligible innovation project 15587  
that is the subject of the assistance, including, where 15588  
applicable, provisions with respect to property insurance, 15589  
repairs, alterations, payment of taxes and assessments, 15590  
delinquency charges, default remedies, acceleration of maturity, 15591  
prior, additional, and secondary liens, and other matters as the 15592  
director may approve. 15593

(C) The contract of guarantee may make provision for the 15594  
conditions of, time for, and manner of fulfillment of the 15595  
guarantee commitment, subrogation of this state to the rights of 15596  
the parties guaranteed and exercise of such parties' rights by 15597  
this state, giving this state the options of making payment of 15598  
the principal amount guaranteed in one or more installments and, 15599  
if deferred, to pay interest thereon from the innovation Ohio 15600  
loan guarantee fund, and any other terms or conditions customary 15601  
to such guarantees and as the director may approve, and may 15602  
contain provisions for securing the guarantee in the manner 15603  
consistent with this section, covenants on behalf of this state 15604  
for the maintenance of the loan guarantee fund created by this 15605  
section and of receipts to it permitted by this chapter, 15606

including covenants on behalf of this state to issue obligations 15607  
under section 166.08 of the Revised Code to provide moneys to 15608  
the innovation Ohio loan guarantee fund to fulfill such 15609  
guarantees, and covenants restricting the aggregate amount of 15610  
guarantees that may be contracted under this section and 15611  
obligations that may be issued under section 166.08 of the 15612  
Revised Code, and terms pertinent to either, to better secure 15613  
the parties guaranteed. 15614

(D) The innovation Ohio loan guarantee fund is hereby 15615  
created as a special revenue fund and a trust fund which shall 15616  
be in the custody of the treasurer of state but shall be 15617  
separate and apart from and not a part of the state treasury and 15618  
shall consist of all grants, gifts, and contributions of moneys 15619  
or rights to moneys lawfully designated for or deposited in such 15620  
fund, all moneys and rights to moneys lawfully appropriated and 15621  
transferred to such fund, including moneys received from the 15622  
issuance of obligations under section 166.08 of the Revised 15623  
Code, and moneys deposited to such fund pursuant to division (F) 15624  
of this section. The innovation Ohio loan guarantee fund shall 15625  
not be comprised, in any part, of moneys raised by taxation. 15626

(E) The director may fix service charges for making a 15627  
guarantee. The charges shall be payable at such times and place 15628  
and in such amounts and manner as may be prescribed by the 15629  
director. 15630

(F) The treasurer of state shall serve as agent for the 15631  
director in the making of deposits and withdrawals and 15632  
maintenance of records pertaining to the innovation Ohio loan 15633  
guarantee fund. Prior to the director's entry into a contract 15634  
providing for the making of a guarantee payable from the 15635  
innovation Ohio loan guarantee fund, the treasurer of state 15636

shall cause to be transferred from the innovation Ohio loan fund 15637  
to the innovation Ohio loan guarantee fund an amount sufficient 15638  
to make the aggregate balance therein, taking into account the 15639  
proposed loan guarantee equal to the innovation Ohio loan 15640  
guarantee reserve requirement. Thereafter, the treasurer of 15641  
state shall cause the balance in the innovation Ohio loan 15642  
guarantee fund to be at least equal to the innovation Ohio loan 15643  
guarantee reserve requirement. Funds from the innovation Ohio 15644  
loan guarantee fund shall be disbursed under a guarantee made 15645  
pursuant to this section to satisfy a guaranteed repayment or 15646  
payment which is in default. After withdrawing moneys from the 15647  
innovation Ohio loan guarantee fund, the treasurer of state 15648  
shall transfer moneys in the innovation Ohio loan fund to the 15649  
innovation Ohio loan guarantee fund to satisfy any repayment 15650  
obligations. Whenever these moneys are inadequate to meet the 15651  
requirements of a guarantee, the treasurer of state shall, 15652  
without need of appropriation or further action by the director, 15653  
provide for a withdrawal and transfer to the innovation Ohio 15654  
loan guarantee fund and then to the guaranteed party of moneys 15655  
in such amount as is necessary to meet the guarantee, from 15656  
unencumbered and available moneys in the innovation Ohio loan 15657  
fund. The disbursements shall be made in the manner and at the 15658  
times provided in the guarantees. Within ninety days following a 15659  
disbursement of money from the innovation Ohio loan guarantee 15660  
fund, the treasurer of state, without need of appropriation or 15661  
further action by the director, shall provide for a withdrawal 15662  
and transfer to the innovation Ohio loan guarantee fund from 15663  
unencumbered and available moneys in the innovation Ohio loan 15664  
fund, including moneys from the repayment of loans made from 15665  
that fund, of an amount sufficient to cause the balance in the 15666  
innovation Ohio loan guarantee fund to be at least equal to the 15667  
innovation Ohio loan guarantee reserve requirement. 15668

(G) Any guaranteed parties under this section, except to 15669  
the extent that their rights are restricted by the guarantee 15670  
documents, may by any suitable form of legal proceedings, 15671  
protect and enforce any rights under the laws of this state or 15672  
granted by such guarantee or guarantee documents. Such rights 15673  
include the right to compel the performance of all duties of the 15674  
director and the treasurer of state required by this section or 15675  
the guarantee or guarantee documents; and in the event of 15676  
default with respect to the payment of any guarantees, to apply 15677  
to a court having jurisdiction of the cause to appoint a 15678  
receiver to receive and administer the moneys pledged to such 15679  
guarantee with full power to pay, and to provide for payment of, 15680  
such guarantee, and with such powers, subject to the direction 15681  
of the court, as are accorded receivers in general equity cases, 15682  
excluding any power to pledge or apply additional revenues or 15683  
receipts or other income or moneys of this state or governmental 15684  
agencies of the state to the payment of such guarantee. Each 15685  
duty of the director and the treasurer of state and their 15686  
officers and employees, and of each governmental agency and its 15687  
officers, members, or employees, required or undertaken pursuant 15688  
to this section or a guarantee made under authority of this 15689  
section, is hereby established as a duty of the director and the 15690  
treasurer of state, and of each such officer, member, or 15691  
employee having authority to perform such duty, specifically 15692  
enjoined by the law resulting from an office, trust, or station 15693  
within the meaning of section 2731.01 of the Revised Code. The 15694  
persons who are at the time the director and treasurer of state, 15695  
or their officers or employees, are not liable in their personal 15696  
capacities on any guarantees or contracts to make guarantees by 15697  
the director. 15698

(H) The determinations of the director under divisions (B) 15699

and (C) of this section shall be conclusive for purposes of the 15700  
validity of a guarantee evidenced by a contract signed by the 15701  
director, and such guarantee shall be incontestable as to money 15702  
advanced under loans to which such guarantees are by their terms 15703  
applicable. 15704

**Sec. 166.16.** (A) The director of housing and development, 15705  
with the approval of the controlling board and subject to the 15706  
other applicable provisions of this chapter, may lend moneys in 15707  
the innovation Ohio loan fund to persons for the purpose of 15708  
paying allowable innovation costs of an eligible innovation 15709  
project if the director determines that: 15710

(1) The project is an eligible innovation project and is 15711  
economically sound. 15712

(2) The borrower is unable to finance the necessary 15713  
allowable costs through ordinary financial channels upon 15714  
comparable terms. 15715

(3) The amount to be lent from the innovation Ohio loan 15716  
fund will not exceed ninety per cent of the total costs of the 15717  
eligible innovation project. 15718

(4) The repayment of the loan from the innovation Ohio 15719  
loan fund will be secured by a mortgage, lien, assignment, or 15720  
pledge, or other interest in property or innovation property at 15721  
such level of priority and value as the director may determine 15722  
necessary, provided that, in making such a determination, the 15723  
director may take into account the value of any rights granted 15724  
by the borrower to the director to control the use of any 15725  
property or innovation property of the borrower under the 15726  
circumstances described in the loan documents. 15727

(B) The determinations of the director under division (A) 15728



of this section shall be conclusive for purposes of the validity 15729  
of a loan commitment evidenced by a loan agreement signed by the 15730  
director. 15731

(C) Fees, charges, rates of interest, times of payment of 15732  
interest and principal, and other terms, conditions, and 15733  
provisions of and security for loans made from the innovation 15734  
Ohio loan fund shall be such as the director determines to be 15735  
appropriate and in furtherance of the purpose for which the 15736  
loans are made. The moneys used in making the loans shall be 15737  
disbursed from the innovation Ohio loan fund upon order of the 15738  
director. Unless otherwise specified in any indenture or other 15739  
instrument securing obligations under division (D) of section 15740  
166.08 of the Revised Code, any payments of principal and 15741  
interest from loans made from the innovation Ohio loan fund 15742  
shall be paid to the innovation Ohio loan fund and used for the 15743  
purpose of making loans. 15744

(D) There is hereby created in the state treasury the 15745  
innovation Ohio loan fund. The fund shall consist of grants, 15746  
gifts, and contributions of moneys or rights to moneys lawfully 15747  
designated for or deposited in such fund, all moneys and rights 15748  
to moneys lawfully appropriated and transferred to such fund, 15749  
including moneys received from the issuance of obligations for 15750  
purposes of allowable innovation costs under section 166.08 of 15751  
the Revised Code, and moneys deposited to such fund pursuant to 15752  
divisions (C) and (G) of this section. All investment earnings 15753  
on the cash balance in the fund shall be credited to the fund. 15754  
The fund shall not be comprised, in any part, of moneys raised 15755  
by taxation. 15756

(E) The director may take actions necessary or appropriate 15757  
to collect or otherwise deal with any loan made under this 15758

section. 15759

(F) The director may fix service charges for the making of 15760  
a loan. The charges shall be payable at such times and place and 15761  
in such amounts and manner as may be prescribed by the director. 15762

(G) (1) There shall be credited to the innovation Ohio loan 15763  
fund the moneys received by this state from the repayment of 15764  
innovation Ohio loans and recovery on loan guarantees, including 15765  
interest thereon, made from the innovation Ohio loan fund or 15766  
from the innovation Ohio loan guarantee fund and from the sale, 15767  
lease, or other disposition of property acquired or constructed 15768  
with moneys in the innovation Ohio loan fund with moneys derived 15769  
from the proceeds of the sale of obligations under section 15770  
166.08 of the Revised Code. Such moneys shall be applied as 15771  
provided in this chapter pursuant to appropriations made by the 15772  
general assembly. 15773

(2) Notwithstanding division (G) (1) of this section, any 15774  
amounts recovered on innovation Ohio loan guarantees shall be 15775  
deposited to the credit of the innovation Ohio loan guarantee 15776  
fund to the extent necessary to restore that fund to the 15777  
innovation Ohio loan guarantee reserve requirement or any level 15778  
in excess thereof required by any guarantee contract. Money in 15779  
the innovation Ohio loan guarantee fund in excess of the 15780  
innovation Ohio loan guarantee reserve requirement, but subject 15781  
to the provisions and requirements of any guarantee contracts, 15782  
may be transferred to the innovation Ohio loan fund by the 15783  
treasurer of state upon the order of the director of housing and 15784  
development. 15785

(3) In addition to the requirements of division (G) (1) of 15786  
this section, moneys referred to in that division may be 15787  
deposited to the credit of separate accounts within the 15788

innovation Ohio loan fund or in the bond service fund and 15789  
pledged to the security of obligations, applied to the payment 15790  
of bond service charges without need for appropriation, released 15791  
from any such pledge and transferred to the innovation Ohio loan 15792  
fund, all as and to the extent provided in the bond proceedings 15793  
pursuant to written directions by the director of housing and 15794  
development. Accounts may be established by the director in the 15795  
innovation Ohio loan fund for particular projects or otherwise. 15796  
The director may withdraw from the innovation Ohio loan fund or, 15797  
subject to provisions of the applicable bond proceedings, from 15798  
any special funds established pursuant to the bond proceedings, 15799  
or from any accounts in such funds, any amounts of investment 15800  
income required to be rebated and paid to the federal government 15801  
in order to maintain the exemption from federal income taxation 15802  
of interest on obligations issued under this chapter, which 15803  
withdrawal and payment may be made without necessity for 15804  
appropriation. 15805

**Sec. 166.17.** (A) The general assembly finds that in order 15806  
to enhance the economic opportunities available to and improve 15807  
the economic welfare of all the people of the state, and to 15808  
maintain and enhance the competitiveness of the Ohio economy, it 15809  
is necessary to ensure that the people of the state will 15810  
continue to have access to high-value jobs in technology, and 15811  
that, to facilitate such continued access, it is necessary to 15812  
provide incentives to retain and attract businesses that will 15813  
develop new or improved technologies, processes, and products, 15814  
or apply existing technologies in new ways. Further, the general 15815  
assembly finds that the attraction of such jobs and their 15816  
presence in this state will materially contribute to the 15817  
economic welfare of all the people of the state. Accordingly, it 15818  
is declared to be the public policy of this state, through 15819

operations under sections 166.17 to 166.21, 5733.352, and 15820  
5747.331 of the Revised Code and the provisions for financial 15821  
assistance contained in those sections, other applicable laws 15822  
adopted pursuant to Section 13 of Article VIII, Ohio 15823  
Constitution, and other authority vested in the general 15824  
assembly, to assist in and facilitate the establishment or 15825  
development of eligible research and development projects or 15826  
assist and cooperate with any governmental agency in achieving 15827  
that purpose. 15828

(B) In furtherance of that public policy and to implement 15829  
that purpose, the director of housing and development may do any 15830  
of the following: 15831

(1) After consultation with appropriate governmental 15832  
agencies, enter into agreements with persons engaged in 15833  
industry, commerce, distribution, or research and with 15834  
governmental agencies, to induce such persons to acquire, 15835  
construct, reconstruct, rehabilitate, renovate, enlarge, 15836  
improve, equip, furnish, or develop eligible research and 15837  
development projects, or to enable governmental agencies to 15838  
acquire, construct, reconstruct, rehabilitate, renovate, 15839  
enlarge, improve, equip, furnish, or develop eligible research 15840  
and development projects for lease to persons engaged in 15841  
industry, commerce, distribution, or research; 15842

(2) Provide for loans under section 166.21 of the Revised 15843  
Code to finance eligible research and development projects; 15844

(3) Subject to the release of moneys in the research and 15845  
development loan fund by the controlling board, contract for 15846  
labor and materials needed for, or contract with others, 15847  
including governmental agencies, to provide, eligible research 15848  
and development projects, the allowable costs of which are to be 15849

paid for or reimbursed from such moneys, and contract for the 15850  
operation of those projects; 15851

(4) From moneys in the research and development loan fund, 15852  
subject to release thereof by the controlling board, acquire or 15853  
contract to acquire property by gift, exchange, or purchase, 15854  
including by obtaining and exercising purchase options, and 15855  
convey or otherwise dispose of, or provide for the conveyance or 15856  
disposition of, that property by sale, exchange, lease, lease 15857  
purchase, conditional or installment sale, transfer, or other 15858  
disposition, including the grant of an option to purchase, to 15859  
any governmental agency or to any other person without necessity 15860  
for competitive bidding and upon such terms and conditions and 15861  
manner of consideration pursuant to, and as the director 15862  
determines to be appropriate to satisfy the objectives of, 15863  
Chapter 166. of the Revised Code; 15864

(5) Retain the services of or employ financial 15865  
consultants, appraisers, consulting engineers, superintendents, 15866  
managers, construction and accounting experts, attorneys, 15867  
employees, agents, and independent contractors as are necessary 15868  
in the director's judgment, and fix the compensation for their 15869  
services; 15870

(6) Receive and accept from any person, grants, gifts, and 15871  
contributions of money, property, labor, and other things of 15872  
value, to be held, used, and applied only for the purpose for 15873  
which such grants, gifts, and contributions are made; 15874

(7) Enter into arrangements and agreements with any 15875  
governmental agency for the agency to take or provide any 15876  
governmental action with respect to eligible research and 15877  
development projects; 15878

(8) Do all other acts, enter into contracts, execute all 15879  
instruments, and make all certifications necessary or 15880  
appropriate to carry out sections 166.01, 166.17 to 166.21, 15881  
5733.352, and 5747.331 of the Revised Code; 15882

(9) With respect to property that is the subject of or 15883  
related to research and development financial assistance, take 15884  
such interests, including, but not limited to, mortgages, 15885  
security interests, leasehold interests, assignments, and 15886  
exclusive or nonexclusive licenses, as may be necessary or 15887  
appropriate under the circumstances, to ensure that the property 15888  
is used within this state and that products or services 15889  
associated with that property are produced or, in the case of 15890  
services, delivered, by persons employed within this state; 15891

(10) Adopt rules necessary to implement any of the 15892  
provisions of sections 166.17 to 166.21, 5733.352, and 5747.331 15893  
of the Revised Code that are applicable to the director. 15894

(C) The determination by the director that facilities or 15895  
property constitute an eligible research and development project 15896  
and that the costs of such facilities or property are allowable 15897  
costs related to the project, and all other determinations 15898  
relevant thereto, or to an action taken or agreement entered 15899  
into, shall be conclusive for purposes of the validity and 15900  
enforceability of rights of parties arising from actions taken 15901  
and agreements entered into under sections 166.17 to 166.21, 15902  
5733.352, and 5747.331 of the Revised Code. 15903

**Sec. 166.18.** (A) Prior to entering into each agreement to 15904  
provide research and development financial assistance, the 15905  
director of housing and development services shall determine 15906  
whether the assistance will conform to the requirements of 15907  
sections 166.17 to 166.21, 5733.352, and 5747.331 of the Revised 15908

Code. Such determination, and the facts upon which it is based, 15909  
shall be set forth by the director in submissions made to the 15910  
controlling board when the director seeks a release of moneys 15911  
under section 166.17 of the Revised Code. An agreement to 15912  
provide research and development financial assistance under 15913  
section 166.17 or 166.21 of the Revised Code shall set forth the 15914  
determination, which shall be conclusive for purposes of the 15915  
validity and enforceability of the agreement, and any loans or 15916  
other agreements entered into pursuant to the agreement, to 15917  
provide research and development financial assistance. 15918

(B) Whenever a person applies for research and development 15919  
financial assistance, and the eligible research and development 15920  
project for which that assistance is requested is to relocate an 15921  
eligible research and development project that is currently 15922  
being operated by the person and that is located in another 15923  
county, municipal corporation, or township within the state, the 15924  
person shall provide written notification to the appropriate 15925  
local governmental bodies and state officials. The director may 15926  
not enter into an agreement to provide research and development 15927  
financial assistance until the director determines that the 15928  
appropriate local government bodies and state officials have 15929  
been notified. 15930

(C) As used in division (B) of this section: 15931

(1) "Appropriate local governmental bodies" means all of 15932  
the following: 15933

(a) The board of county commissioners of or legislative 15934  
authorities of special districts in the county in which the 15935  
eligible research and development project for which research and 15936  
development financial assistance is requested is located and of 15937  
the county in which the project will be located; 15938

(b) The legislative authority of the municipal corporation 15939  
or the board of township trustees of the township in which the 15940  
eligible research and development project for which research and 15941  
development financial assistance is requested is located and of 15942  
the municipal corporation or township in which the project will 15943  
be located. 15944

(2) "State officials" means both of the following: 15945

(a) The state representative and state senator in whose 15946  
district the eligible research and development project for which 15947  
research and development financial assistance is requested is 15948  
located; 15949

(b) The state representative and state senator in whose 15950  
district the eligible research and development project will be 15951  
located. 15952

**Sec. 166.19.** (A) (1) In determining the eligible research 15953  
and development projects to be assisted and the nature, amount, 15954  
and terms of the research and development financial assistance 15955  
to be provided, the director of housing and development ~~services~~ 15956  
shall consider all of the following: 15957

(a) The number of jobs to be created or preserved, 15958  
directly or indirectly, by or in connection with the eligible 15959  
research and development project; 15960

(b) Payrolls, and the taxes generated at both state and 15961  
local levels, by the eligible research and development project 15962  
and by the employment created or preserved by or in connection 15963  
with the project; 15964

(c) The size, nature, and cost of the eligible research 15965  
and development project; 15966



(d) The likelihood that the eligible research and 15967  
development project will create long-term jobs in enterprises 15968  
consistent with the changing economy of the state and nation; 15969

(e) The needs of any private sector enterprise to be 15970  
assisted, taking into consideration the amount and kind of 15971  
assistance, if any, to be provided to the private sector 15972  
enterprise by other governmental agencies through tax exemption 15973  
or abatement, financing assistance with industrial development 15974  
bonds, and otherwise, with respect to the eligible research and 15975  
development project or with respect to any providers of research 15976  
and development property to be included as part of the project; 15977

(f) The likelihood that the eligible research and 15978  
development project will be successfully implemented. 15979

(2) The director may consider the benefits to the local 15980  
area, including taxes, jobs, and reduced unemployment and 15981  
reduced welfare costs, in the leasing or sale of eligible 15982  
research and development project facilities and in loan 15983  
arrangements. 15984

(3) The director may consider the effect of an eligible 15985  
research and development project upon any entity engaged to 15986  
provide research and development property to be acquired, 15987  
leased, or licensed in connection with research and development 15988  
financial assistance. 15989

(B) Financial statements and other data submitted to the 15990  
director of housing and development services ~~services~~ or the controlling 15991  
board by any private sector person in connection with research 15992  
and development financial assistance, or any information taken 15993  
from such statements or data for any purpose, shall not be open 15994  
to public inspection. 15995

**Sec. 166.20.** There is hereby created in the state treasury 15996  
the research and development loan fund. The fund shall consist 15997  
of moneys received from the issuance of obligations for research 15998  
and development purposes under section 166.08 of the Revised 15999  
Code; moneys deposited to the fund pursuant to divisions (C) and 16000  
(G) of section 166.21 of the Revised Code; service charges 16001  
imposed under section 166.21 of the Revised Code; and any 16002  
grants, gifts, or contributions of money received by the 16003  
director of housing and development to be used for making loans 16004  
under section 166.21 of the Revised Code. All investment 16005  
earnings on the cash balance in the fund shall be credited to 16006  
the fund. The fund shall not be comprised, in any part, of 16007  
moneys raised by taxation. 16008

**Sec. 166.21.** (A) The director of housing and development 16009  
~~services~~, with the approval of the controlling board and subject 16010  
to other applicable provisions of this chapter, may lend moneys 16011  
in the research and development loan fund to persons for the 16012  
purpose of paying allowable costs of eligible research and 16013  
development projects, if the director determines that all of the 16014  
following conditions are met: 16015

(1) The project is an eligible research and development 16016  
project and is economically sound; 16017

(2) The amount to be lent from the research and 16018  
development loan fund will not exceed seventy-five per cent of 16019  
the total costs of the eligible research and development 16020  
project; 16021

(3) The repayment of the loan from the research and 16022  
development loan fund will be secured by a mortgage, assignment, 16023  
pledge, lien provided for under section 9.661 of the Revised 16024  
Code, or other interest in property or other assets of the 16025

borrower, at such level of priority and value as the director 16026  
considers necessary, provided that, in making such a 16027  
determination, the director shall take into account the value of 16028  
any rights granted by the borrower to the director to control 16029  
the use of any assets of the borrower under the circumstances 16030  
described in the loan documents. 16031

(B) The determinations of the director under division (A) 16032  
of this section shall be conclusive for purposes of the validity 16033  
of a loan commitment evidenced by a loan agreement signed by the 16034  
director. 16035

(C) Fees, charges, rates of interest, times of payment of 16036  
interest and principal, and other terms and conditions of, and 16037  
security for, loans made from the research and development loan 16038  
fund shall be such as the director determines to be appropriate 16039  
and in furtherance of the purpose for which the loans are made. 16040  
The moneys used in making loans shall be disbursed from the fund 16041  
upon order of the director. Unless otherwise specified in any 16042  
indenture or other instrument securing obligations under 16043  
division (D) of section 166.08 of the Revised Code, any payments 16044  
of principal and interest from loans made from the fund shall be 16045  
paid to the fund and used for the purpose of making loans under 16046  
this section. 16047

(D) (1) As used in this division, "qualified research and 16048  
development loan payments" means payments of principal and 16049  
interest on a loan made from the research and development loan 16050  
fund. 16051

(2) Each year, the director may, upon request, issue a 16052  
certificate to a borrower of moneys from the research and 16053  
development loan fund indicating the amount of the qualified 16054  
research and development loan payments made by or on behalf of 16055

the borrower during the calendar year immediately preceding the 16056  
tax year, as defined in section 5733.04 of the Revised Code, or 16057  
taxable year, as defined in section 5747.01 of the Revised Code, 16058  
for which the certificate is issued. In addition to indicating 16059  
the amount of qualified research and development loan payments, 16060  
the certificate shall include a determination of the director 16061  
that as of the thirty-first day of December of the calendar year 16062  
for which the certificate is issued, the borrower is not in 16063  
default under the loan agreement, lease, or other instrument 16064  
governing repayment of the loan, including compliance with the 16065  
job creation and retention commitments that are part of the 16066  
qualified research and development project. If the director 16067  
determines that a borrower is in default under the loan 16068  
agreement, lease, or other instrument governing repayment of the 16069  
loan, the director may reduce the amount, percentage, or term of 16070  
the credit allowed under section 5733.352, 5747.331, or 5751.52 16071  
of the Revised Code with respect to the certificate issued to 16072  
the borrower. The director shall not issue a certificate in an 16073  
amount that exceeds one hundred fifty thousand dollars. 16074

(E) The director may take actions necessary or appropriate 16075  
to collect or otherwise deal with any loan made under this 16076  
section. 16077

(F) The director may fix service charges for the making of 16078  
a loan. The charges shall be payable at such times and place and 16079  
in such amounts and manner as may be prescribed by the director. 16080

(G) (1) There shall be credited to the research and 16081  
development loan fund moneys received by this state from the 16082  
repayment of loans, including interest thereon, made from the 16083  
fund, and moneys received from the sale, lease, or other 16084  
disposition of property acquired or constructed with moneys in 16085

the fund derived from the proceeds of the sale of obligations 16086  
under section 166.08 of the Revised Code. Moneys in the fund 16087  
shall be applied as provided in this chapter pursuant to 16088  
appropriations made by the general assembly. 16089

(2) In addition to the requirements in division (G) (1) of 16090  
this section, moneys referred to in that division may be 16091  
deposited to the credit of separate accounts established by the 16092  
director of housing and development services—within the research 16093  
and development loan fund or in the bond service fund and 16094  
pledged to the security of obligations, applied to the payment 16095  
of bond service charges without need for appropriation, released 16096  
from any such pledge and transferred to the research and 16097  
development loan fund, all as and to the extent provided in the 16098  
bond proceedings pursuant to written directions of the director. 16099  
Accounts may be established by the director in the research and 16100  
development loan fund for particular projects or otherwise. The 16101  
director may withdraw from the fund or, subject to provisions of 16102  
the applicable bond proceedings, from any special funds 16103  
established pursuant to the bond proceedings, or from any 16104  
accounts in such funds, any amounts of investment income 16105  
required to be rebated and paid to the federal government in 16106  
order to maintain the exemption from federal income taxation of 16107  
interest on obligations issued under this chapter, which 16108  
withdrawal and payment may be made without the necessity for 16109  
appropriation. 16110

**Sec. 166.25.** (A) The director of housing and development 16111  
~~services~~, with the approval of the controlling board and subject 16112  
to the other applicable provisions of this chapter, may lend 16113  
money in the logistics and distribution infrastructure fund to 16114  
persons for the purpose of paying allowable costs of eligible 16115  
logistics and distribution projects. 16116

(B) In determining the eligible logistics and distribution projects to be assisted and the nature, amount, and terms of assistance to be provided for an eligible logistics and distribution project, the director shall consult with appropriate governmental agencies, including the department of transportation and the Ohio rail development commission.

(C) Any loan made pursuant to this section shall be evidenced by a loan agreement, which shall contain such terms as the director determines necessary or appropriate, including performance measures and reporting requirements. The director may take actions necessary or appropriate to collect or otherwise deal with any loan made under this section, including requiring a loan recipient to repay the amount of the loan plus interest at a rate of three per cent above the federal short term interest rate or any other rate determined by the director.

**Sec. 166.27.** (A) As used in this section, "minority" has the same meaning as in section 184.17 of the Revised Code, except that the individual must be a resident of this state. The term also includes an economically disadvantaged individual who is a resident of this state.

(B) The director of housing and development shall conduct outreach activities in Ohio that seek to include minorities in the loan program for logistics and distribution projects established under section 166.25 of the Revised Code. The outreach activities shall include the following, when appropriate:

(1) Identifying and partnering with historically black colleges and universities;

(2) Working with all institutions of higher education in

the state to support minority faculty and students involved in 16146  
logistics and distribution fields; 16147

(3) Developing a plan to contact by telephone minority- 16148  
owned businesses and entrepreneurs and other economically 16149  
disadvantaged businesses to notify them of opportunities to 16150  
participate in the loan program for logistics and distribution 16151  
projects; 16152

(4) Identifying minority professional and technical trade 16153  
associations and economic development assistance organizations 16154  
and notifying them of the loan program for logistics and 16155  
distribution projects; 16156

(5) Partnering with regional councils to foster local 16157  
efforts to support minority-owned businesses or otherwise 16158  
identify networks of minority-owned businesses, entrepreneurs, 16159  
and individuals operating locally; 16160

(6) Identifying minority firms and notifying them of the 16161  
opportunities that exist within the investment community, 16162  
including the Ohio venture capital authority created under 16163  
section 150.02 of the Revised Code. 16164

(C) The director shall publish an annual report that 16165  
includes all of the following: 16166

(1) Details of loans awarded for logistics and 16167  
distribution projects; 16168

(2) The status of loan recipients' projects funded in 16169  
previous years; 16170

(3) The amount of loans awarded for projects in 16171  
economically distressed areas, and if possible to ascertain, the 16172  
impact of the loans to those areas. 16173

(D) To the extent possible, outreach activities described 16174  
in this section shall be conducted in conjunction with the EDGE 16175  
program created in section 122.922 of the Revised Code. 16176

**Sec. 167.02.** (A) Membership in the regional council shall 16177  
be the counties, municipal corporations, townships, special 16178  
districts, school districts, and other political subdivisions 16179  
entering into the agreement establishing the council or admitted 16180  
to membership subsequently pursuant to the agreement 16181  
establishing the council or the bylaws of the council. 16182  
Representation on the council may be in the manner as provided 16183  
in the agreement establishing the council. 16184

(B) If the agreement establishing the council does not set 16185  
forth the manner for determining representation on the council 16186  
such representation shall consist of one representative from 16187  
each county, municipal corporation, township, special district, 16188  
school district, or other political subdivision entering into 16189  
the agreement, or subsequently admitted to membership in the 16190  
council. The representative from each member county, municipal 16191  
corporation, township, special district, school district, or 16192  
other political subdivision shall be elected chief executive 16193  
thereof, or, if such county, municipal corporation, township, 16194  
special district, school district, or other political 16195  
subdivision does not have an elected chief executive, a member 16196  
of its governing body chosen by such body to be its 16197  
representative. 16198

(C) Records containing the names of the political 16199  
subdivisions that are members of a regional council of 16200  
governments or the names of the representatives from those 16201  
political subdivisions who serve on the council are public 16202  
records within the meaning of section 149.43 of the Revised 16203



Code, and those names are not considered to be trade secrets 16204  
under section 1333.61 of the Revised Code. 16205

(D) The director of housing and development ~~services~~ shall 16206  
assist the council in securing the cooperation of all 16207  
appropriate agencies of the state or of the United States to aid 16208  
in promoting the orderly growth and development of the area, 16209  
solving the problems of local government, and discharging the 16210  
responsibilities and duties of local government in the most 16211  
efficient possible manner. 16212

(E) Any county, municipal corporation, township, special 16213  
district, school district, or other political subdivision which 16214  
has become a member of the council may withdraw by formal action 16215  
of its governing board and upon sixty days notice to council 16216  
after such action, or in the manner provided in the agreement 16217  
establishing the council, provided no such procedure relative to 16218  
withdrawals in the agreement establishing the council shall 16219  
require the political subdivision desiring to withdraw to retain 16220  
its membership in the council for a period in excess of two 16221  
years. 16222

**Sec. 169.05.** (A) Every holder required to file a report 16223  
under section 169.03 of the Revised Code shall, at the time of 16224  
filing, pay to the director of commerce ten per cent of the 16225  
aggregate amount of unclaimed funds as shown on the report, 16226  
except for aggregate amounts of fifty dollars or less in which 16227  
case one hundred per cent shall be paid. The funds may be 16228  
deposited by the director in the state treasury to the credit of 16229  
the unclaimed funds trust fund, which is hereby created, or 16230  
placed with a financial organization. Any interest earned on 16231  
money in the trust fund shall be credited to the trust fund. The 16232  
remainder of the aggregate amount of unclaimed funds as shown on 16233

the report, plus earnings accrued to date of payment to the 16234  
director, shall, at the option of the director, be retained by 16235  
the holder or paid to the director for deposit as agent for the 16236  
mortgage funds with a financial organization as defined in 16237  
section 169.01 of the Revised Code, with the funds to be in 16238  
income-bearing accounts to the credit of the mortgage funds, or 16239  
the holder may enter into an agreement with the director 16240  
specifying the obligations of the United States in which funds 16241  
are to be invested, and agree to pay the interest on the 16242  
obligations to the state. Holders retaining any funds not in 16243  
obligations of the United States shall enter into an agreement 16244  
with the director specifying the classification of income- 16245  
bearing account in which the funds will be held and pay the 16246  
state interest on the funds at a rate equal to the prevailing 16247  
market rate for similar funds. Moneys that the holder is 16248  
required to pay to the director rather than to retain may be 16249  
deposited with the treasurer of state, or placed with a 16250  
financial organization. 16251

Securities and other intangible property transferred to 16252  
the director shall, within a reasonable time, be converted to 16253  
cash and the proceeds deposited as provided for other funds. 16254

One-half of the funds evidenced by agreements, in income- 16255  
bearing accounts, or on deposit with the treasurer of state 16256  
shall be allocated on the records of the director to the 16257  
mortgage insurance fund created by section 122.561 of the 16258  
Revised Code. Out of the remaining half, after allocation of 16259  
sufficient moneys to the minority business bonding fund to meet 16260  
the provisions of division (B) of this section, the remainder 16261  
shall be allocated on the records of the director to the housing 16262  
development fund created by division (A) of section 175.11 of 16263  
the Revised Code. 16264

(B) The director shall serve as agent for the director of housing and development and as agent for the Ohio housing finance agency in making deposits and withdrawals and maintaining records pertaining to the minority business bonding fund created by section 122.88 of the Revised Code, the mortgage insurance fund, and the housing development fund created by section 175.11 of the Revised Code. Funds from the mortgage insurance fund are available to the director of housing and development when those funds are to be disbursed to prevent or cure, or upon the occurrence of, a default of a mortgage insured pursuant to section 122.451 of the Revised Code. Funds from the housing development fund are available upon request to the Ohio housing finance agency, in an amount not to exceed the funds allocated on the records of the director, for the purposes of section 175.05 of the Revised Code. Funds from the minority business bonding fund are available to the director of housing and development upon request to pay obligations on bonds the director writes pursuant to section 122.88 of the Revised Code; except that, unless the general assembly authorizes additional amounts, the total maximum amount of moneys that may be allocated to the minority business bonding fund under this division is ten million dollars.

When funds are to be disbursed, the appropriate agency shall call upon the director to transfer the necessary funds to it. The director shall first withdraw the funds paid by the holders and deposited with the treasurer of state or in a financial institution as agent for the funds. Whenever these funds are inadequate to meet the request, the director shall provide for a withdrawal of funds, within a reasonable time and in the amount necessary to meet the request, from financial institutions in which the funds were retained or placed by a

holder and from other holders who have retained funds, in an 16296  
equitable manner as the director prescribes. In the event that 16297  
the amount to be withdrawn from any one holder is less than five 16298  
hundred dollars, the amount to be withdrawn is at the director's 16299  
discretion. The director shall then transfer to the agency the 16300  
amount of funds requested. 16301

Funds deposited in the unclaimed funds trust fund are 16302  
subject to call by the director when necessary to pay claims the 16303  
director allows under section 169.08 of the Revised Code, in 16304  
accordance with the director's rules, to defray the necessary 16305  
costs of making publications this chapter requires and to pay 16306  
other operating and administrative expenses the department of 16307  
commerce incurs in the administration and enforcement of this 16308  
chapter. 16309

The unclaimed funds trust fund shall be assessed a 16310  
proportionate share of the administrative costs of the 16311  
department of commerce in accordance with procedures the 16312  
director of commerce prescribes. The assessment shall be paid 16313  
from the unclaimed funds trust fund to the division of 16314  
administration fund. 16315

(C) Earnings on the accounts in financial organizations to 16316  
the credit of the mortgage funds shall, at the option of the 16317  
financial organization, be credited to the accounts at times and 16318  
at rates as earnings are paid on other accounts of the same 16319  
classification held in the financial organization or paid to the 16320  
director. The director shall be notified annually, and at other 16321  
times as the director may request, of the amount of the earnings 16322  
credited to the accounts. Interest on unclaimed funds a holder 16323  
retains shall be paid to the director or credited as specified 16324  
in the agreement under which the organization retains the funds. 16325

Interest payable to the director under an agreement to invest 16326  
unclaimed funds in income-bearing accounts or obligations of the 16327  
United States shall be paid annually by the holder to the 16328  
director. Any earnings or interest the director receives under 16329  
this division shall be deposited in and credited to the mortgage 16330  
funds. 16331

**Sec. 173.08.** (A) The resident services coordinator program 16332  
is established in the department of aging to fund resident 16333  
services coordinators. The coordinators shall provide 16334  
information to low-income and special-needs tenants, including 16335  
the elderly, who live in financially assisted rental housing 16336  
complexes, and assist those tenants in identifying and obtaining 16337  
community and program services and other benefits for which they 16338  
are eligible. 16339

(B) The resident services coordinator program fund is 16340  
hereby created in the state treasury to support the resident 16341  
services coordinator program established pursuant to this 16342  
section. The fund consists of all moneys the department of 16343  
housing and development sets aside pursuant to division (A) (3) 16344  
of section 174.02 of the Revised Code and moneys the general 16345  
assembly appropriates to the fund. 16346

**Sec. 174.01.** As used in this chapter: 16347

(A) "Financial assistance" means grants, loans, loan 16348  
guarantees, an equity position in a project, or loan subsidies. 16349

(B) "Grant" means funding the department of housing and 16350  
development or the Ohio housing finance agency provides for 16351  
which the relevant agency does not require repayment. 16352

(C) "Housing" means housing for owner-occupancy and 16353  
multifamily rental housing. 16354

(D) "Housing for owner-occupancy" means housing that is 16355  
intended for occupancy by an owner as a principal residence. 16356  
"Housing for owner-occupancy" may be any type of structure and 16357  
may be owned in any type of ownership. 16358

(E) "Housing trust fund" means the low- and moderate- 16359  
income housing trust fund created and administered pursuant to 16360  
Chapter 174. of the Revised Code. 16361

(F) "Lending institution" means any financial institution 16362  
qualified to conduct business in this state, a subsidiary 16363  
corporation that is wholly owned by a financial institution 16364  
qualified to conduct business in this state, and a mortgage 16365  
lender whose regular business is originating, servicing, or 16366  
brokering real estate loans and who is qualified to do business 16367  
in this state. 16368

(G) "Loan" means any extension of credit or other form of 16369  
financing or indebtedness directly or indirectly to a borrower 16370  
with the expectation that it will be repaid in accordance with 16371  
the terms of the underlying loan agreement or other pertinent 16372  
document. "Loan" includes financing extended to lending 16373  
institutions and indebtedness purchased from lending 16374  
institutions. 16375

(H) "Loan guarantee" means any agreement in favor of a 16376  
lending institution or other lender in which the credit and 16377  
resources of the housing trust fund are pledged to secure the 16378  
payment or collection of financing extended to a borrower for 16379  
the acquisition, construction, improvement, rehabilitation or 16380  
preservation of housing, or to refinance any financing 16381  
previously extended for those purposes by any lender. 16382

(I) "Loan subsidy" means any deposit of funds into a 16383

lending institution with the authorization or direction that the  
income or revenues the deposit earns, or could have earned at  
competitive rates, be applied directly or indirectly to the  
benefit of housing assistance or financial assistance.

(J) "Low- and moderate-income persons" means individuals  
and families who qualify as low- and moderate-income persons  
pursuant to guidelines the department establishes.

(K) "Multifamily rental housing" means multiple unit  
housing intended for rental occupancy.

(L) "Nonprofit organization" means a nonprofit  
organization in good standing and qualified to conduct business  
in this state including any corporation whose members are  
members of a metropolitan housing authority.

**Sec. 174.02.** (A) The low- and moderate-income housing  
trust fund is hereby created in the state treasury. The fund  
consists of all appropriations made to the fund, housing trust  
fund fees collected by county recorders pursuant to section  
317.36 of the Revised Code and deposited into the fund pursuant  
to section 319.63 of the Revised Code, and all grants, gifts,  
loan repayments, and contributions of money made from any source  
to the department of housing and development for deposit in the  
fund. All investment earnings of the fund shall be credited to  
the fund. The director of housing and development shall allocate  
a portion of the money in the fund to an account of the Ohio  
housing finance agency. The department shall administer the  
fund. The Ohio housing finance agency shall use money allocated  
to it for implementing and administering its programs and duties  
under sections 174.03 and 174.05 of the Revised Code, and the  
department shall use the remaining money in the fund for  
implementing and administering its programs and duties under

sections 174.03 to 174.06 of the Revised Code. Use of all money 16414  
drawn from the fund is subject to the following restrictions: 16415

(1) (a) Not more than five per cent of the current year 16416  
appropriation authority for the fund shall be allocated between 16417  
grants to community development corporations for the community 16418  
development corporation grant program and grants and loans to 16419  
the Ohio community development finance fund, a private nonprofit 16420  
corporation. 16421

(b) In any year in which the amount in the fund exceeds 16422  
one hundred thousand dollars and at least that much is allocated 16423  
for the uses described in this section, not less than one 16424  
hundred thousand dollars shall be used to provide training, 16425  
technical assistance, and capacity building assistance to 16426  
nonprofit development organizations. 16427

(2) Not more than ten per cent of any current year 16428  
appropriation authority for the fund shall be used for the 16429  
emergency shelter housing grants program to make grants to 16430  
private, nonprofit organizations and municipal corporations, 16431  
counties, and townships for emergency shelter housing for the 16432  
homeless and emergency shelter facilities serving unaccompanied 16433  
youth seventeen years of age and younger. The grants shall be 16434  
distributed pursuant to rules the director adopts and qualify as 16435  
matching funds for funds obtained pursuant to the McKinney Act, 16436  
101 Stat. 85 (1987), 42 U.S.C.A. 11371 to 11378. 16437

(3) In any fiscal year in which the amount in the fund 16438  
exceeds the amount awarded pursuant to division (A) (1) (b) of 16439  
this section by at least two hundred fifty thousand dollars, at 16440  
least two hundred fifty thousand dollars from the fund shall be 16441  
provided to the department of aging for the resident services 16442  
coordinator program as established in section 173.08 of the 16443



Revised Code. 16444

(4) Of all current year appropriation authority for the 16445  
fund, not more than five per cent shall be used for 16446  
administration. 16447

(5) Not less than forty-five per cent of the funds awarded 16448  
during any one fiscal year shall be for grants and loans to 16449  
nonprofit organizations under section 174.03 of the Revised 16450  
Code. 16451

(6) Not less than fifty per cent of the funds awarded 16452  
during any one fiscal year, excluding the amounts awarded 16453  
pursuant to divisions (A) (1), (2), and (7) of this section, 16454  
shall be for grants and loans for activities that provide 16455  
housing and housing assistance to families and individuals in 16456  
rural areas and small cities that are not eligible to 16457  
participate as a participating jurisdiction under the "HOME 16458  
Investment Partnerships Act," 104 Stat. 4094 (1990), 42 U.S.C. 16459  
12701 note, 12721. 16460

(7) No money in the fund shall be used to pay for any 16461  
legal services other than the usual and customary legal services 16462  
associated with the acquisition of housing. 16463

(8) Money in the fund may be used as matching money for 16464  
federal funds received by the state, counties, municipal 16465  
corporations, and townships for the activities listed in section 16466  
174.03 of the Revised Code. 16467

(B) If, after the second quarter of any year, it appears 16468  
to the director that the full amount of the money in the fund 16469  
designated in that year for activities that provide housing and 16470  
housing assistance to families and individuals in rural areas 16471  
and small cities under division (A) of this section will not be 16472

used for that purpose, the director may reallocate all or a 16473  
portion of that amount for other housing activities. In 16474  
determining whether or how to reallocate money under this 16475  
division, the director may consult with and shall receive advice 16476  
from the housing trust fund advisory committee. 16477

**Sec. 174.03.** (A) The department of housing and development 16478  
and the Ohio housing finance agency shall each develop programs 16479  
under which, in accordance with rules adopted under this 16480  
section, they may make grants, loans, loan guarantees, and loan 16481  
subsidies to counties, municipal corporations, townships, local 16482  
housing authorities, and nonprofit organizations and may make 16483  
loans, loan guarantees, and loan subsidies to private developers 16484  
and private lenders to assist in activities that provide housing 16485  
and housing assistance for specifically targeted low- and 16486  
moderate-income families and individuals. There is no minimum 16487  
housing project size for awards under this division for any 16488  
project that is developed for a special needs population and 16489  
that is supported by a social service agency where the housing 16490  
project is located. Activities for which grants, loans, loan 16491  
guarantees, and loan subsidies may be made under this section 16492  
include all of the following: 16493

(1) Acquiring, financing, constructing, leasing, 16494  
rehabilitating, remodeling, improving, and equipping publicly or 16495  
privately owned housing; 16496

(2) Providing supportive services related to housing and 16497  
the homeless, including housing counseling. Not more than twenty 16498  
per cent of the current year appropriation authority for the 16499  
low- and moderate-income housing trust fund that remains after 16500  
the award of funds made pursuant to divisions (A) (1) and ~~(A)~~ (2) 16501  
of section 174.02 of the Revised Code, shall be awarded in any 16502

fiscal year for supportive services. 16503

(3) Providing rental assistance payments or other project 16504  
operating subsidies that lower tenant rents; 16505

(4) Improving the quality of life of tenants by providing 16506  
education for tenants and residents of manufactured home 16507  
communities regarding their rights and responsibilities, 16508  
planning and implementing activities designed to improve 16509  
conflict resolution and the capacity of tenants to negotiate and 16510  
mediate with landlords, and developing tenant and resident 16511  
councils and organizations; 16512

(5) Promoting capacity building initiatives related to the 16513  
creation of county housing trust funds. 16514

(B) Grants, loans, loan guarantees, and loan subsidies may 16515  
be made to counties, municipal corporations, townships, and 16516  
nonprofit organizations for the additional purposes of providing 16517  
technical assistance, design and finance services and 16518  
consultation, and payment of pre-development and administrative 16519  
costs related to any of the activities listed above. 16520

(C) In developing programs under this section, the 16521  
department and the agency shall invite, accept, and consider 16522  
public comment, and recommendations from the housing trust fund 16523  
advisory committee created under section 174.06 of the Revised 16524  
Code, on how the programs should be designed to most effectively 16525  
benefit low- and moderate-income families and individuals. The 16526  
programs developed under this section shall respond collectively 16527  
to housing and housing assistance needs of low- and moderate- 16528  
income families and individuals statewide. 16529

(D) The department and the agency, in accordance with 16530  
Chapter 119. of the Revised Code, shall each adopt rules to 16531

administer programs developed under this section. The rules 16532  
shall prescribe procedures and forms that counties, municipal 16533  
corporations, townships, local housing authorities, and 16534  
nonprofit organizations shall use in applying for grants, loans, 16535  
loan guarantees, and loan subsidies and that private developers 16536  
and private lenders shall use in applying for loans, loan 16537  
guarantees, and loan subsidies; eligibility criteria for the 16538  
receipt of funds; procedures for reviewing and granting or 16539  
denying applications; procedures for paying out funds; 16540  
conditions on the use of funds; procedures for monitoring the 16541  
use of funds; and procedures under which a recipient shall be 16542  
required to repay funds that are improperly used. The rules 16543  
shall do both of the following: 16544

(1) Require each recipient of a grant or loan made from 16545  
the low- and moderate-income housing trust fund for activities 16546  
that provide, or assist in providing, a rental housing project, 16547  
to reasonably ensure that the rental housing project will remain 16548  
affordable to those families and individuals targeted for the 16549  
rental housing project for the useful life of the rental housing 16550  
project or for thirty years, whichever is longer; 16551

(2) Require each recipient of a grant or loan made from 16552  
the low- and moderate-income housing trust fund for activities 16553  
that provide, or assist in providing, a housing project to 16554  
prepare and implement a plan to reasonably assist any families 16555  
and individuals displaced by the housing project in obtaining 16556  
decent affordable housing. 16557

(E) In prescribing eligibility criteria and conditions for 16558  
the use of funds, neither the department nor the agency is 16559  
limited to the criteria and conditions specified in this section 16560  
and each may prescribe additional eligibility criteria and 16561

conditions that relate to the purposes for which grants, loans, 16562  
loan guarantees, and loan subsidies may be made. However, the 16563  
department and agency are limited by the following specifically 16564  
targeted low- and moderate-income guidelines: 16565

(1) Not less than seventy-five per cent of the money 16566  
granted and loaned under this section in any fiscal year shall 16567  
be for activities that provide affordable housing and housing 16568  
assistance to families and individuals whose incomes are equal 16569  
to or less than fifty per cent of the median income for the 16570  
county in which they live, as determined by the department under 16571  
section 174.04 of the Revised Code. 16572

(2) Any money granted and loaned under this section in any 16573  
fiscal year that is not granted or loaned pursuant to division 16574  
(F) (1) of this section shall be for activities that provide 16575  
affordable housing and housing assistance to families and 16576  
individuals whose incomes are equal to or less than eighty per 16577  
cent of the median income for the county in which they live, as 16578  
determined by the department under section 174.04 of the Revised 16579  
Code. 16580

(F) In making grants, loans, loan guarantees, and loan 16581  
subsidies under this section, the department and the agency 16582  
shall give preference to viable projects and activities that 16583  
benefit those families and individuals whose incomes are equal 16584  
to or less than thirty-five per cent of the median income for 16585  
the county in which they live, as determined by the department 16586  
under section 174.04 of the Revised Code. 16587

(G) The department and the agency shall monitor the 16588  
programs developed under this section to ensure that money 16589  
granted and loaned under this section is not used in a manner 16590  
that violates division (H) of section 4112.02 of the Revised 16591

Code or discriminates against families with children. 16592

**Sec. 174.04.** (A) The department of housing and development 16593  
shall make an annual determination of the median income for 16594  
persons in each county. 16595

(B) The director of housing and development shall 16596  
determine appropriate income limits for identifying or 16597  
classifying low- and moderate-income persons for the purposes of 16598  
sections 174.01 to 174.07 of the Revised Code. In making the 16599  
determination, the director shall take into consideration the 16600  
amount of income available for housing, family size, the cost 16601  
and condition of available housing, ability to pay the amounts 16602  
the private market charges for decent, safe, and sanitary 16603  
housing without federal subsidy or state assistance, and the 16604  
income eligibility standards of federal programs. Income limits 16605  
may vary from area to area within the state. 16606

**Sec. 174.05.** (A) Annually, the department of housing and 16607  
development shall submit a report to the president of the senate 16608  
and the speaker of the house of representatives describing the 16609  
activities of the department under sections 174.01 to 174.07 of 16610  
the Revised Code during the previous state fiscal year. 16611

(B) Annually, the Ohio housing finance agency shall submit 16612  
a report to the president of the senate and the speaker of the 16613  
house of representatives describing the activities of the agency 16614  
under sections 174.02, 174.03, and 174.05 of the Revised Code 16615  
during the previous state fiscal year. 16616

**Sec. 174.06.** (A) There is hereby created the housing trust 16617  
fund advisory committee. The committee consists of the following 16618  
~~seven~~-. 16619

(1) Seven members, appointed by the governor, with advice 16620

and consent of the ~~Senate~~ senate, who possess knowledge and 16621  
experience with respect to the housing needs of low- and 16622  
moderate-income persons: 16623

~~(1)~~ (a) One member to represent lenders; 16624

~~(2)~~ (b) One member to represent affordable housing 16625  
developers; 16626

~~(3)~~ (c) One member to represent organizations working to 16627  
address the housing and other needs of homeless Ohioans; 16628

~~(4)~~ (d) Two members to represent counties or other local 16629  
government entities; 16630

~~(5)~~ (e) One member to represent real estate brokers 16631  
licensed under Chapter 4735. of the Revised Code; 16632

~~(6)~~ (f) A county recorder. 16633

(2) Two members of the senate, appointed by the president 16634  
of the senate. 16635

(3) Two members of the house of representatives, appointed 16636  
by the speaker of the house of representatives. 16637

(B) (1) Terms of office for members appointed by the 16638  
governor are ~~for~~ four years, with each term ending on the same 16639  
day of the same month as did the term that it succeeds. Each 16640  
legislative member shall serve for the biennium in which the 16641  
member was appointed by the speaker of the house of 16642  
representatives or the president of the senate, ending on the 16643  
thirty-first day of December of each even-numbered year. 16644

(2) Each member shall hold office from the date of 16645  
appointment until the end of the term for which the member was 16646  
appointed. Vacancies shall be filled in the manner prescribed 16647

for the original appointment. A member appointed to fill a  
vacancy occurring prior to the expiration of a term shall hold  
office for the remainder of that term. A member shall continue  
in office subsequent to the expiration of a term until a  
successor takes office or until a period of sixty days has  
elapsed, whichever occurs first.

~~(2)~~ (3) The governor may remove a member the governor  
appointed for misfeasance, malfeasance, or willful neglect of  
duty. Each legislative member serves at the pleasure of the  
member's appointing authority.

(C) (1) The committee shall select a chairperson from among  
its members. The committee shall meet at least once each  
calendar year and upon the call of the chair. Members of the  
committee serve without compensation, but shall be reimbursed  
for reasonable and necessary expenses incurred in the discharge  
of duties.

(2) The department of housing and development shall  
provide the committee with a meeting place, supplies, and staff  
assistance as the committee requests.

(D) The committee shall assist the department and the Ohio  
housing finance agency in defining housing needs and priorities,  
recommend to the department and agency at least annually how the  
programs developed under section 174.02 of the Revised Code  
should be designed to most effectively benefit low- and  
moderate-income persons, consider an allocation of funds for  
projects of fifteen units or less, and advise the director of  
housing and development on whether and how to reallocate money  
in the low- and moderate-income housing trust fund under  
division (B) of section 174.02 of the Revised Code.



**Sec. 174.07.** The department of housing and development, on 16677  
its own and on the behalf of the Ohio housing finance agency and 16678  
the Ohio department of aging, shall obtain controlling board 16679  
approval prior to making any grant, loan, loan guarantee, or 16680  
loan subsidy greater than fifty thousand dollars from or 16681  
allocated from the low- and moderate-income housing trust fund. 16682

**Sec. 175.03.** (A) (1) The Ohio housing finance agency 16683  
consists of ~~eleven~~ fifteen members. The governor, with the 16684  
advice and consent of the senate, shall appoint nine of the 16685  
members. The speaker of the house of representatives shall 16686  
appoint two of the members from among the members of the house 16687  
of representatives. The president of the senate shall appoint 16688  
two of the members from among the members of the senate. The 16689  
other two members are the director of commerce and the director 16690  
of housing and development or their respective designees. 16691

(2) The governor shall appoint one member with experience 16692  
in residential housing construction; one with experience in 16693  
residential housing mortgage lending, loan servicing, or 16694  
brokering at an institution insured by the federal deposit 16695  
insurance corporation; one with experience in the licensed 16696  
residential housing brokerage business; one with experience with 16697  
the housing needs of senior citizens; one with a background in 16698  
labor representation in the construction industry; one to 16699  
represent the interests of nonprofit multifamily housing 16700  
development organizations; one to represent the interests of 16701  
for-profit multifamily housing development organizations; and 16702  
two who are public members. 16703

(3) The governor shall receive recommendations from the 16704  
Ohio housing council for appointees to represent the interests 16705  
of nonprofit multifamily housing development organizations and 16706

for-profit multifamily housing development organizations. 16707

(4) Not more than six of the ~~appointed~~ members of the 16708  
agency appointed by the governor may be of the same political 16709  
party. 16710

(B) (1) ~~Of the initial appointments the governor makes, one~~ 16711  
~~member representing the public has an initial term ending~~ 16712  
~~January 31, 2010, the other member representing the public has~~ 16713  
~~an initial term ending January 31, 2008, the member with a~~ 16714  
~~background in labor representation in the construction industry~~ 16715  
~~has an initial term ending January 31, 2011, the member with~~ 16716  
~~experience in residential housing mortgage lending, loan~~ 16717  
~~servicing, or brokering has an initial term ending January 31,~~ 16718  
~~2008, the member with experience with the housing needs of~~ 16719  
~~senior citizens has an initial term ending January 31, 2006, the~~ 16720  
~~member representing the interests of nonprofit multifamily~~ 16721  
~~housing development organizations has an initial term ending~~ 16722  
~~January 31, 2007, the member representing the interests of for~~ 16723  
~~profit multifamily housing development organizations has an~~ 16724  
~~initial term ending January 31, 2006, and the member with~~ 16725  
~~experience in residential housing construction and the member~~ 16726  
~~with experience in licensed residential housing brokerage each~~ 16727  
~~has an initial term ending January 31, 2009. Thereafter, each~~ 16728  
Each member appointed member by the governor shall serve for a 16729  
term of six years with each term ending on the thirty-first day 16730  
of January, six years following the termination date of the term 16731  
it succeeds. Each legislative member shall serve for the 16732  
biennium in which the member was appointed by the speaker of the 16733  
house of representatives or the president of the senate, ending 16734  
on the thirty-first day of December of each even-numbered year. 16735  
There is no limit on the number of terms a member may serve. 16736

(2) Each member shall hold office from the date of  
appointment until the end of the term for which the member is  
appointed. Any member appointed to fill a vacancy occurring  
prior to the expiration of a term continues in office for the  
remainder of that term. Any appointed member shall continue in  
office subsequent to the expiration date of the member's term  
until the member's successor takes office or until sixty days  
have elapsed, whichever occurs first.

(3) The governor may remove ~~an any member the governor~~  
appointed ~~member from office~~ for misfeasance, nonfeasance, or  
malfeasance in office. Each legislative member serves at the  
pleasure of the member's appointing authority.

(C) (1) Except as otherwise provided in this section,  
members and agency employees shall comply with Chapter 102. and  
sections 2921.42 and 2921.43 of the Revised Code.

(2) An agency member who is a director, officer, employee,  
or owner of a lending institution is not in violation of Chapter  
102. and is not subject to section 2921.42 of the Revised Code  
with respect to a loan to an applicant from the lending  
institution or a contract between the agency and the lending  
institution for the purchase, administration, or servicing of  
loans if the member abstains from participation in any matter  
that affects the interests of the member's lending institution.

(3) An agency member who represents multifamily housing  
interests is not in violation of division (D) or (E) of section  
102.03 or division (A) of section 2921.42 of the Revised Code in  
regard to a contract the agency enters into if both of the  
following apply:

(a) The contract is entered into for a loan, grant, or

participation in a program the agency administers or funds and 16766  
the contract is awarded pursuant to rules or guidelines the 16767  
agency adopts. 16768

(b) The member does not participate in the discussion or 16769  
vote on the contract if the contract secures a grant or loan 16770  
that directly benefits the member, a family member, or a 16771  
business associate of the member. 16772

(4) (a) Each ~~appointed~~ agency member appointed by the 16773  
governor shall receive compensation at the rate of two hundred 16774  
fifty dollars per agency meeting attended in person, not to 16775  
exceed a maximum of four thousand dollars per year. 16776

(b) The compensation rate for ~~appointed~~ members appointed 16777  
by the governor applies until six years after ~~the effective date~~ 16778  
~~of this section~~ July 1, 2005, at which time the members may 16779  
increase the compensation for members who are appointed or 16780  
reappointed after that time. 16781

(c) All members are entitled to reimbursement in 16782  
accordance with section 126.31 of the Revised Code for expenses 16783  
incurred in the discharge of official duties. 16784

**Sec. 175.04.** (A) The governor shall appoint a chairperson 16785  
from among the members. The agency members shall elect a member 16786  
as vice-chairperson. The agency members may appoint other 16787  
officers, who need not be members of the agency, as the agency 16788  
deems necessary. 16789

(B) ~~Six-Eight~~ members of the agency constitute a quorum 16790  
and the affirmative vote of ~~six-eight~~ members is necessary for 16791  
any action the agency takes. No vacancy in agency membership 16792  
impairs the right of a quorum to exercise all of the agency's 16793  
rights and perform all the agency's duties. Agency meetings may 16794

be held at any place within the state. Meetings shall comply 16795  
with section 121.22 of the Revised Code. 16796

(C) The agency shall maintain accounting records in 16797  
accordance with generally accepted accounting principals and 16798  
other required accounting standards. 16799

(D) The agency shall develop policies and guidelines for 16800  
the administration of its programs and annually shall conduct at 16801  
least one public hearing to obtain input from any interested 16802  
party regarding the administration of its programs. The hearing 16803  
shall be held at a time and place as the agency determines and 16804  
when a quorum of the agency is present. 16805

(E) The agency shall appoint committees and subcommittees 16806  
comprised of members of the agency to handle matters it deems 16807  
appropriate. 16808

(1) The agency shall adopt an annual plan to address this 16809  
state's housing needs. The agency shall appoint an annual plan 16810  
committee to develop the plan and present it to the agency for 16811  
consideration. 16812

(2) The annual plan committee shall select an advisory 16813  
board from a list of interested individuals the executive 16814  
director provides or on its own recommendation. The advisory 16815  
board shall provide input on the plan at committee meetings 16816  
prior to the annual public hearing. At the public hearing, the 16817  
committee shall discuss advisory board comments. The advisory 16818  
board may include, but is not limited to, persons who represent 16819  
state agencies, local governments, public corporations, 16820  
nonprofit organizations, community development corporations, 16821  
housing advocacy organizations for low- and moderate-income 16822  
persons, realtors, syndicators, investors, lending institutions 16823

as recommended by a statewide banking organization, and other 16824  
entities participating in the agency's programs. 16825

Each agency program that allows for loans to be made to 16826  
finance housing for owner occupancy that benefits other than 16827  
low- and moderate-income households, or for loans to be made to 16828  
individuals under bonds issued pursuant to division (B) of 16829  
section 175.08 of the Revised Code, shall be presented to the 16830  
advisory board and included in the annual plan as approved by 16831  
the agency before the program's implementation. 16832

(F) The agency shall prepare an annual financial report 16833  
describing its activities during the reporting year and submit 16834  
that report in accordance with division (H) of this section and 16835  
to the governor, the speaker of the house of representatives, 16836  
and the president of the senate within three months after the 16837  
end of the reporting year. The report shall include the agency's 16838  
audited financial statements, prepared in accordance with 16839  
generally accepted accounting principles and appropriate 16840  
accounting standards. 16841

(G) The agency shall prepare an annual report of its 16842  
programs describing how the programs have met this state's 16843  
housing needs. The agency shall submit the report in accordance 16844  
with division (H) of this section and to the governor, the 16845  
speaker of the house of representatives, and the president of 16846  
the senate within three months after the end of the reporting 16847  
year. 16848

(H) (1) The agency shall submit, within a time frame agreed 16849  
to by the agency and the chairs, the annual financial report 16850  
described in division (F) of this section and the annual report 16851  
of programs described in division (G) of this section to the 16852  
chairs of the committees dealing with housing issues in the 16853

house of representatives and the senate. 16854

(2) Within forty-five days of issuance of the annual 16855  
financial report, the agency's executive director shall request 16856  
to appear in person before the committees described in division 16857  
(H) (1) of this section to testify in regard to the financial 16858  
report and the report of programs. The testimony shall include 16859  
each of the following: 16860

(a) An overview of the annual plan adopted pursuant to 16861  
division (E) (1) of this section; 16862

(b) An evaluation of whether the objectives in the annual 16863  
plan were met through a comparison of the annual plan with the 16864  
annual financial report and report of programs; 16865

(c) A complete listing by award and amount of all business 16866  
and contractual relationships in excess of one hundred thousand 16867  
dollars between the agency and other entities and organizations 16868  
that participated in agency programs during the fiscal year 16869  
reported by the agency's annual financial report and report of 16870  
programs; 16871

(d) A complete listing by award and amount of the low- 16872  
income housing tax credit syndication and direct investor 16873  
entities for projects that received tax credit reservations and 16874  
IRS Form 8609 during the fiscal year. 16875

**Sec. 175.06.** (A) The Ohio housing finance agency shall do 16876  
all of the following related to carrying out its programs: 16877

(1) Upon the governor's designation, serve as the housing 16878  
credit agency for the state and perform all responsibilities of 16879  
a housing credit agency pursuant to Section 42 of the Internal 16880  
Revenue Code and similar applicable laws; 16881

(2) Require that housing that benefits from the agency's assistance be available without discrimination in accordance with Chapter 4112. of the Revised Code and applicable provisions of federal law; 16882  
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(3) Demonstrate measurable and objective transparency; 16886

(4) Efficiently award funding to maximize affordable housing production using cost-effective strategies; 16887  
16888

(5) Encourage national equity investment in low-income housing tax credit projects; 16889  
16890

(6) Utilize resources to provide competitive homebuyer programs to serve low- and moderate-income persons. 16891  
16892

(B) The Ohio housing finance agency may do any of the following related to carrying out its programs: 16893  
16894

(1) Issue bonds, provide security for assets, make deposits, purchase or make loans, provide economic incentives for the development of housing, and provide financial assistance for emergency housing; 16895  
16896  
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(2) Serve as a public housing agency and contract with the United States department of housing and urban development to administer the department's rent subsidy program, housing subsidy program, and monitoring programs for low- and moderate-income persons. The agency shall ensure that any contract into which it enters provides for sufficient compensation to the agency for its services. 16899  
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(3) Develop and administer programs under which the agency uses moneys from the housing trust fund as allocated by the department of housing and development to extend financial assistance pursuant to sections 174.01 to 174.07 of the Revised 16906  
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|  |       |
|--|-------|
| Code;  | 16910 |
| (4) Make financial assistance available;                         | 16911 |
| (5) Guarantee and commit to guarantee the repayment of           | 16912 |
| financing that a lending institution extends for housing,        | 16913 |
| guaranteeing that debt with any of the agency's reserve funds    | 16914 |
| not raised by taxation and not otherwise obligated for debt      | 16915 |
| service, including the housing development fund established      | 16916 |
| pursuant to section 175.11 of the Revised Code and any fund      | 16917 |
| created under division (B) (14) of section 175.05 of the Revised | 16918 |
| Code;  | 16919 |
| (6) Make, commit to make, and participate in making              | 16920 |
| financial assistance, including federally insured mortgage       | 16921 |
| loans, available to finance the construction and rehabilitation  | 16922 |
| of housing or to refinance existing housing;                     | 16923 |
| (7) Invest in, purchase, and take from lenders the               | 16924 |
| assignment of notes or other evidence of debt including          | 16925 |
| federally insured mortgage loans, or participate with lenders in | 16926 |
| notes and loans for homeownership, development, or refinancing   | 16927 |
| of housing;  | 16928 |
| (8) Sell at public or private sale any mortgage or               | 16929 |
| mortgage backed securities the agency holds;                     | 16930 |
| (9) Issue bonds to carry out the agency's purposes as set        | 16931 |
| forth in this chapter;   | 16932 |
| (10) Extend or otherwise make available housing assistance       | 16933 |
| on terms the agency determines.                                  | 16934 |
| (C) The Ohio housing finance agency may issue bonds and          | 16935 |
| extend financial assistance from any fund the agency administers | 16936 |
| for the prompt replacement, repair, or refinancing of damaged    | 16937 |

housing if both of the following apply: 16938

(1) The governor declares that a state of emergency exists 16939  
with respect to a county, region, or political subdivision of 16940  
this state, or declares that a county, region, or political 16941  
subdivision has experienced a disaster as defined in section 16942  
5502.21 of the Revised Code. 16943

(2) The agency determines that the emergency or disaster 16944  
has substantially damaged or destroyed housing in the area of 16945  
the emergency or disaster. 16946

(D) The agency shall establish guidelines for extending 16947  
financial assistance for emergency housing. The guidelines shall 16948  
include eligibility criteria for assistance and the terms and 16949  
conditions under which the agency may extend financial 16950  
assistance. 16951

**Sec. 175.15.** The Ohio housing finance agency and the ~~Ohio~~ 16952  
~~department of housing and development services agency~~ shall 16953  
include pregnancy as a priority in its housing assistance 16954  
programs and local emergency shelter programs. In consultation 16955  
with the ~~Ohio department of housing and development services~~ 16956  
~~agency~~, the Ohio housing finance agency may adopt rules in 16957  
accordance with Chapter 119. of the Revised Code that are 16958  
necessary to implement the requirements of this section. 16959

**Sec. 176.01.** (A) Any municipal corporation, county, or 16960  
township may, alone or jointly with one or more contiguous or 16961  
overlapping other municipal corporations, counties, or 16962  
townships, establish or designate a housing advisory board. 16963

(B) The purposes of a housing advisory board are: 16964

(1) To receive and review comprehensive plans for the 16965  
development and maintenance of affordable housing submitted to 16966

the housing advisory board pursuant to division (A) (2) of 16967  
section 176.04 of the Revised Code by any such political 16968  
subdivision it serves; 16969

(2) To receive and review written descriptions submitted 16970  
to the housing advisory board pursuant to division (A) (3) of 16971  
section 176.04 of the Revised Code by any subdivision it serves 16972  
of the purposes to which such subdivision proposes to apply the 16973  
proceeds of general obligations such subdivision proposes to 16974  
issue or the moneys raised by taxation that such subdivision 16975  
proposes to expend pursuant to Section 16 of Article VIII, Ohio 16976  
Constitution; 16977

(3) To advise the subdivisions it serves regarding the 16978  
plans and descriptions it receives pursuant to divisions (B) (1) 16979  
and (2) of this section; and 16980

(4) To perform such other advisory functions for any 16981  
subdivision it serves related to such subdivision's programs to 16982  
provide, or assist in providing, housing as such subdivision may 16983  
request it to perform. 16984

(C) Every housing advisory board shall include balanced 16985  
representation of each of the following groups located within 16986  
the political subdivisions served by the board: 16987

(1) Institutions that lend money for housing; 16988

(2) Nonprofit builders and developers of housing; 16989

(3) For-profit builders and developers of housing; 16990

(4) For-profit builders and developers of rental housing; 16991

(5) Real estate brokers licensed under Chapter 4735. of 16992  
the Revised Code; 16993

(6) Other persons with professional knowledge regarding 16994  
local housing needs and fair housing issues within the 16995  
subdivisions served by the board; 16996

(7) Residents of areas of the subdivisions served by the 16997  
board that could receive housing assistance from such 16998  
subdivisions; 16999

(8) Any metropolitan housing authority operating within 17000  
the subdivisions served by the board; 17001

(9) The elected officials of the political subdivisions 17002  
served by the board; 17003

(10) Such other groups or individuals that the appointing 17004  
authority determines are necessary to provide balanced advice on 17005  
housing plans and programs. 17006

(D) The board of county commissioners shall do one of the 17007  
following: 17008

(1) Appoint the members of a county housing advisory 17009  
board; 17010

(2) Designate an existing board, commission, or committee 17011  
of the county to serve as the county housing advisory board and, 17012  
if necessary to achieve the balanced representation required by 17013  
division (C) of this section, appoint additional members to 17014  
serve with or in an advisory capacity to the existing board, 17015  
commission, or committee when it meets as a county housing 17016  
advisory board. 17017

Subject to the requirements of division (C) of this 17018  
section and any requirements governing membership in an existing 17019  
county board, commission, or committee that is designated to 17020  
serve as the county housing advisory board, the number of 17021

members of a county housing advisory board and the length of 17022  
their terms shall be determined by the board of county 17023  
commissioners. 17024

(E) The mayor of a municipal corporation, with the consent 17025  
of the legislative authority of the municipal corporation, shall 17026  
do one of the following: 17027

(1) Appoint the members of a municipal corporation housing 17028  
advisory board; 17029

(2) Designate an existing board, commission, or committee 17030  
of the municipal corporation to serve as the municipal 17031  
corporation housing advisory board and, if necessary to achieve 17032  
the balanced representation required by division (C) of this 17033  
section, appoint additional members to serve with or in an 17034  
advisory capacity to the existing board, commission, or 17035  
committee when it meets as a municipal corporation housing 17036  
advisory board. 17037

Subject to the requirements of division (C) of this 17038  
section and any requirements governing membership in an existing 17039  
municipal corporation board, commission, or committee that is 17040  
designated to serve as the municipal corporation housing 17041  
advisory board, the number of members of the municipal 17042  
corporation housing board and the length of their terms shall be 17043  
determined by the legislative authority of the municipal 17044  
corporation. 17045

(F) The board of township trustees shall do one of the 17046  
following: 17047

(1) Appoint the members of a township housing advisory 17048  
board; 17049

(2) Designate an existing board, commission, or committee 17050

of the township to serve as the township housing advisory board 17051  
and, if necessary to achieve the balanced representation 17052  
required by division (C) of this section, appoint additional 17053  
members to serve with or in an advisory capacity to the existing 17054  
board, commission, or committee when it meets as a township 17055  
housing advisory board. 17056

Subject to the requirements of division (C) of this 17057  
section and any requirements governing membership in an existing 17058  
township board, commission, or committee that is designated to 17059  
serve as the township housing advisory board, the number of 17060  
members of the township advisory board and the length of their 17061  
terms shall be determined by the board of township trustees. 17062

(G) Whenever any municipal corporation enters into an 17063  
agreement to use the services of a county housing advisory board 17064  
pursuant to section 176.02 of the Revised Code and the municipal 17065  
corporation has a population of fifty thousand or greater, the 17066  
board shall include at least one member who is a resident of the 17067  
municipal corporation. The board of county commissioners shall 17068  
appoint each such member from a list of names submitted to the 17069  
board of county commissioners by the legislative authority of 17070  
the municipal corporation to be represented. 17071

(H) Any housing advisory board established or designated 17072  
under this section shall, within thirty days after its first 17073  
meeting, notify the department of housing and development in 17074  
writing of the formation of the board and of its initial 17075  
members. Thereafter, each housing advisory board shall provide 17076  
to the department such reports and information regarding the 17077  
board's activities as the department may require. 17078

**Sec. 176.07.** The director of housing and development, in 17079  
consultation with the public and the housing trust fund advisory 17080

committee created under section 174.06 of the Revised Code, 17081  
shall develop regulations applicable to all existing and future 17082  
state housing loan, loan guarantee, loan subsidy, and grant 17083  
programs. The regulations shall require recipients of financing 17084  
from state housing programs, that provide or assist in providing 17085  
multi-family rental housing, to do both of the following: 17086

(A) Reasonably ensure that the multi-family rental housing 17087  
will be affordable to those families and individuals targeted 17088  
for the multi-family rental housing for the useful life of the 17089  
multi-family rental housing or thirty years, whichever is 17090  
longer; 17091

(B) Prepare and implement a plan to reasonably assist any 17092  
families and individuals displaced by the multi-family housing 17093  
in obtaining decent affordable housing. 17094

The department of housing and development shall distribute 17095  
a copy of these regulations to each local housing advisory board 17096  
to serve as a guideline for carrying out the requirements of 17097  
divisions (D) (2) and (3) of section 176.04 of the Revised Code. 17098

**Sec. 184.01.** (A) There is hereby created the third 17099  
frontier commission in the department of housing and 17100  
development. The purpose of the commission is to coordinate and 17101  
administer science and technology programs to promote the 17102  
welfare of the people of the state and to maximize the economic 17103  
growth of the state through expansion of both of the following: 17104

(1) The state's high technology research and development 17105  
capabilities; 17106

(2) The state's product and process innovation and 17107  
commercialization. 17108

(B) (1) The commission shall consist of eleven members: the 17109

director of housing and development, the chancellor of higher 17110  
education, the governor's science and technology advisor, the 17111  
chief investment officer of the nonprofit corporation formed 17112  
under section 187.01 of the Revised Code, and seven persons 17113  
appointed by the governor with the advice and consent of the 17114  
senate. 17115

(2) Of the seven persons appointed by the governor, one 17116  
shall represent the central region, which is composed of the 17117  
counties of Delaware, Fairfield, Fayette, Franklin, Hocking, 17118  
Knox, Licking, Logan, Madison, Marion, Morrow, Perry, Pickaway, 17119  
Ross, and Union; one shall represent the west central region, 17120  
which is composed of the counties of Champaign, Clark, Darke, 17121  
Greene, Miami, Montgomery, Preble, and Shelby; one shall 17122  
represent the northeast region, which is composed of the 17123  
counties of Ashland, Ashtabula, Carroll, Crawford, Columbiana, 17124  
Cuyahoga, Erie, Geauga, Holmes, Huron, Lake, Lorain, Mahoning, 17125  
Medina, Portage, Richland, Stark, Summit, Trumbull, Tuscarawas, 17126  
and Wayne; one shall represent the northwest region, which is 17127  
composed of the counties of Allen, Auglaize, Defiance, Fulton, 17128  
Hancock, Hardin, Henry, Lucas, Mercer, Ottawa, Paulding, Putnam, 17129  
Sandusky, Seneca, Van Wert, Williams, Wood, and Wyandot; one 17130  
shall represent the southeast region, which shall represent the 17131  
counties of Adams, Athens, Belmont, Coshocton, Gallia, Guernsey, 17132  
Harrison, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, 17133  
Muskingum, Noble, Pike, Scioto, Vinton, and Washington; one 17134  
shall represent the southwest region, which is composed of the 17135  
counties of Butler, Brown, Clermont, Clinton, Hamilton, 17136  
Highland, and Warren; and one shall represent the public at 17137  
large. Of the initial appointments, two shall be for one year, 17138  
two shall be for two years, and two shall be for three years as 17139  
assigned by the governor. Thereafter, appointments shall be for 17140



three-year terms. Members may be reappointed and vacancies shall 17141  
be filled in the same manner as appointments. A person must have 17142  
a background in business or research in order to be eligible for 17143  
appointment to the commission. 17144

(3) The governor shall select a chairperson from among the 17145  
members, who shall serve in that role at the pleasure of the 17146  
governor. Sections 101.82 to 101.87 of the Revised Code do not 17147  
apply to the commission. 17148

(C) The commission shall meet at least once during each 17149  
quarter of the calendar year or at the call of the chairperson. 17150  
A majority of all members of the commission constitutes a 17151  
quorum, and no action shall be taken without the concurrence of 17152  
a majority of the members. 17153

(D) The commission shall administer any money that may be 17154  
appropriated to it by the general assembly. The commission may 17155  
use such money for research and commercialization and for any 17156  
other purposes that may be designated by the commission. 17157

(E) The department shall provide office space and 17158  
facilities for the commission. Administrative costs associated 17159  
with the operation of the commission or with any program or 17160  
activity administered by the commission shall be paid from 17161  
amounts appropriated to the commission or to the department for 17162  
such purposes. 17163

(F) The attorney general shall serve as the legal 17164  
representative for the commission and may appoint other counsel 17165  
as necessary for that purpose in accordance with section 109.07 17166  
of the Revised Code. 17167

(G) Members of the commission shall serve without 17168  
compensation, but shall receive their reasonable and necessary 17169

expenses incurred in the conduct of commission business. 17170

(H) Members of the commission shall file financial 17171  
disclosure statements described in division (B) of section 17172  
102.02 of the Revised Code. 17173

**Sec. 184.151.** The third frontier commission shall conduct 17174  
public meetings twice each year at which a representative of the 17175  
department of housing and development shall testify regarding 17176  
the number of applicants for support for research and 17177  
development projects and the other information contained in the 17178  
most recent report made by the commission under section 184.15 17179  
of the Revised Code. The representative shall also testify 17180  
regarding the monitoring activities of, and data obtained by, 17181  
the department pursuant to section 184.16 of the Revised Code. 17182  
In addition to oral testimony, the representative shall provide 17183  
a written report of all the information for which testimony is 17184  
required under this section. 17185

**Sec. 184.16.** The department of housing and development 17186  
shall monitor each research and development project receiving 17187  
support under section 184.11 of the Revised Code to ensure the 17188  
following: 17189

(A) Fiscal accountability, so that the support is used in 17190  
accordance with the agreement entered into under section 184.113 17191  
of the Revised Code; 17192

(B) Operating progress, so that the project is managed to 17193  
achieve the requirements of the agreement entered into under 17194  
section 184.113 of the Revised Code and so that problems may be 17195  
promptly identified and remedied; 17196

(C) Desired outcomes, including job creation and other 17197  
anticipated economic impacts. 17198

**Sec. 187.01.** As used in this chapter, "JobsOhio" means the 17199  
nonprofit corporation formed under this section, and includes 17200  
any subsidiary of that corporation. In any section of law that 17201  
refers to the nonprofit corporation formed under this section, 17202  
reference to the corporation includes reference to any such 17203  
subsidiary unless otherwise specified or clearly appearing from 17204  
the context. 17205

The governor is hereby authorized to form a nonprofit 17206  
corporation, to be named "JobsOhio," with the purposes of 17207  
promoting economic development, job creation, job retention, job 17208  
training, and the recruitment of business to this state. Except 17209  
as otherwise provided in this chapter, the corporation shall be 17210  
organized and operated in accordance with Chapter 1702. of the 17211  
Revised Code. The governor shall sign and file articles of 17212  
incorporation for the corporation with the secretary of state. 17213  
The legal existence of the corporation shall begin upon the 17214  
filing of the articles. 17215

In addition to meeting the requirements for articles of 17216  
incorporation in Chapter 1702. of the Revised Code, the articles 17217  
of incorporation for the nonprofit corporation shall set forth 17218  
the following: 17219

(A) The designation of the name of the corporation as 17220  
JobsOhio; 17221

(B) The creation of a board of directors consisting of 17222  
nine directors, to be appointed by the governor, who satisfy the 17223  
qualifications prescribed by section 187.02 of the Revised Code; 17224

(C) A requirement that the governor make initial 17225  
appointments to the board within sixty days after the filing of 17226  
the articles of incorporation. Of the initial appointments made 17227

to the board, two shall be for a term ending one year after the 17228  
date the articles were filed, two shall be for a term ending two 17229  
years after the date the articles were filed, and five shall be 17230  
for a term ending four years after the date the articles were 17231  
filed. The articles shall state that, following the initial 17232  
appointments, the governor shall appoint directors to terms of 17233  
office of four years, with each term of office ending on the 17234  
same day of the same month as did the term that it succeeds. If 17235  
any director dies, resigns, or the director's status changes 17236  
such that any of the requirements of division (C) of section 17237  
187.02 of the Revised Code are no longer met, that director's 17238  
seat on the board shall become immediately vacant. The governor 17239  
shall forthwith fill the vacancy by appointment for the 17240  
remainder of the term of office of the vacated seat. 17241

(D) A requirement that the governor appoint one director 17242  
to be chairperson of the board and procedures for electing 17243  
directors to serve as officers of the corporation and members of 17244  
an executive committee; 17245

(E) A provision for the appointment of a chief investment 17246  
officer of the corporation by the recommendation of the board 17247  
and approval of the governor. The chief investment officer shall 17248  
serve at the pleasure of the board and shall have the power to 17249  
execute contracts, spend corporation funds, and hire employees 17250  
on behalf of the corporation. If the position of chief 17251  
investment officer becomes vacant for any reason, the vacancy 17252  
shall be filled in the same manner as provided in this division. 17253

(F) Provisions requiring the board to do all of the 17254  
following: 17255

(1) Adopt one or more resolutions providing for 17256  
compensation of the chief investment officer; 17257

- (2) Approve an employee compensation plan recommended by 17258  
the chief investment officer; 17259
- (3) Approve a contract with the director of housing and 17260  
development ~~services~~ for the corporation to assist the director 17261  
and the department of housing and development ~~services agency~~ 17262  
with providing services or otherwise carrying out the functions 17263  
or duties of the agency, including the operation and management 17264  
of programs, offices, divisions, or boards, as may be determined 17265  
by the director of housing and development ~~services~~ in 17266  
consultation with the governor; 17267
- (4) Approve all major contracts for services recommended 17268  
by the chief investment officer; 17269
- (5) Establish an annual strategic plan and standards of 17270  
measure to be used in evaluating the corporation's success in 17271  
executing the plan; 17272
- (6) Establish a conflicts of interest policy that, at a 17273  
minimum, complies with section 187.06 of the Revised Code; 17274
- (7) Hold a minimum of four board of directors meetings per 17275  
year at which a quorum of the board is physically present, and 17276  
such other meetings, at which directors' physical presence is 17277  
not required, as may be necessary. Meetings at which a quorum of 17278  
the board is required to be physically present are subject to 17279  
divisions (C), (D), and (E) of section 187.03 of the Revised 17280  
Code. 17281
- (8) Establish a records retention policy and present the 17282  
policy, and any subsequent changes to the policy, at a meeting 17283  
of the board of directors at which a quorum of the board is 17284  
required to be physically present pursuant to division (F) (7) of 17285  
this section; 17286

(9) Adopt standards of conduct for the directors. 17287

(G) A statement that directors shall not receive any 17288  
compensation from the corporation, except that directors may be 17289  
reimbursed for actual and necessary expenses incurred in 17290  
connection with services performed for the corporation; 17291

(H) A provision authorizing the board to amend provisions 17292  
of the corporation's articles of incorporation or regulations, 17293  
except provisions required by this chapter; 17294

(I) Procedures by which the corporation would be dissolved 17295  
and by which all corporation rights and assets would be 17296  
distributed to the state or to another corporation organized 17297  
under this chapter. These procedures shall incorporate any 17298  
separate procedures subsequently set forth in this chapter for 17299  
the dissolution of the corporation. The articles shall state 17300  
that no dissolution shall take effect until the corporation has 17301  
made adequate provision for the payment of any outstanding 17302  
bonds, notes, or other obligations. 17303

(J) A provision establishing an audit committee to be 17304  
comprised of directors. The articles shall require that the 17305  
audit committee hire a firm of independent certified public 17306  
accountants, selected in consultation with the auditor of state, 17307  
to perform, once each year, a financial audit of the corporation 17308  
and of any nonprofit entity the sole member of which is 17309  
JobsOhio. The articles also shall require all of the following: 17310

(1) Commencing with JobsOhio's fiscal year beginning July 17311  
1, 2012, the financial statements to be audited are to be 17312  
prepared in accordance with accounting principles and standards 17313  
set forth in all applicable pronouncements of the governmental 17314  
accounting standards board; 17315

(2) The firm of independent certified public accountants 17316  
hired is to conduct a supplemental compliance and control review 17317  
pursuant to a written agreement by and among the firm, the 17318  
auditor of state, JobsOhio, and any nonprofit entity the sole 17319  
member of which is JobsOhio; and 17320

(3) A copy of each financial audit report and each report 17321  
of the results of the compliance and control review are to be 17322  
provided to the governor, the auditor of state, the speaker of 17323  
the house of representatives, and the president of the senate. 17324

(K) A provision authorizing a majority of the 17325  
disinterested directors to remove a director for misconduct, as 17326  
that term may be defined in the articles or regulations of the 17327  
corporation. The removal of a director under this division 17328  
creates a vacancy on the board that the governor shall fill by 17329  
appointment for the remainder of the term of office of the 17330  
vacated seat. 17331

**Sec. 187.03.** (A) JobsOhio may perform such functions as 17332  
permitted and shall perform such duties as prescribed by law and 17333  
as set forth in any contract entered into under section 187.04 17334  
of the Revised Code, but shall not be considered a state or 17335  
public department, agency, office, body, institution, or 17336  
instrumentality for purposes of section 1.60 or Chapter 102., 17337  
121., 125., or 149. of the Revised Code. JobsOhio and its board 17338  
of directors are not subject to the following sections of 17339  
Chapter 1702. of the Revised Code: sections 1702.03, 1702.08, 17340  
1702.09, 1702.21, 1702.24, 1702.26, 1702.27, 1702.28, 1702.29, 17341  
1702.301, 1702.33, 1702.34, 1702.37, 1702.38, 1702.40 to 17342  
1702.52, 1702.521, 1702.54, 1702.57, 1702.58, 1702.59, 1702.60, 17343  
1702.80, and 1702.99. Nothing in this division shall be 17344  
construed to impair the powers and duties of the Ohio ethics 17345

commission described in section 102.06 of the Revised Code to 17346  
investigate and enforce section 102.02 of the Revised Code with 17347  
regard to individuals required to file statements under division 17348  
(B) (2) of this section. 17349

(B) (1) Directors and employees of JobsOhio are not 17350  
employees or officials of the state and, except as provided in 17351  
division (B) (2) of this section, are not subject to Chapter 17352  
102., 124., 145., or 4117. of the Revised Code. 17353

(2) The chief investment officer, any other officer or 17354  
employee with significant administrative, supervisory, 17355  
contracting, or investment authority, and any director of 17356  
JobsOhio shall file, with the Ohio ethics commission, a 17357  
financial disclosure statement pursuant to section 102.02 of the 17358  
Revised Code that includes, in place of the information required 17359  
by divisions (A) (2) (b), (g), (h), and (i) of that section, the 17360  
information required by divisions (A) and (B) of section 102.022 17361  
of the Revised Code. The governor shall comply with all 17362  
applicable requirements of section 102.02 of the Revised Code. 17363

(3) Actual or in-kind expenditures for the travel, meals, 17364  
or lodging of the governor or of any public official or employee 17365  
designated by the governor for the purpose of this division 17366  
shall not be considered a violation of section 102.03 of the 17367  
Revised Code if the expenditures are made by the corporation, or 17368  
on behalf of the corporation by any person, in connection with 17369  
the governor's performance of official duties related to 17370  
JobsOhio. The governor may designate any person, including a 17371  
person who is a public official or employee as defined in 17372  
section 102.01 of the Revised Code, for the purpose of this 17373  
division if such expenditures are made on behalf of the person 17374  
in connection with the governor's performance of official duties 17375



related to JobsOhio. A public official or employee so designated 17376  
by the governor shall comply with all applicable requirements of 17377  
section 102.02 of the Revised Code. 17378

At the times and frequency agreed to under division (B) (2) 17379  
(b) of section 187.04 of the Revised Code, beginning in 2012, 17380  
the corporation shall file with the department of housing and 17381  
development a written report of all such expenditures paid or 17382  
incurred during the preceding calendar year. The report shall 17383  
state the dollar value and purpose of each expenditure, the date 17384  
of each expenditure, the name of the person that paid or 17385  
incurred each expenditure, and the location, if any, where 17386  
services or benefits of an expenditure were received, provided 17387  
that any such information that may disclose proprietary 17388  
information as defined in division (C) of this section shall not 17389  
be included in the report. 17390

(4) The prohibition applicable to former public officials 17391  
or employees in division (A) (1) of section 102.03 of the Revised 17392  
Code does not apply to any person appointed to be a director or 17393  
hired as an employee of JobsOhio. 17394

(5) Notwithstanding division (A) (2) of section 145.01 of 17395  
the Revised Code, any person who is a former state employee 17396  
shall no longer be considered a public employee for purposes of 17397  
Chapter 145. of the Revised Code upon commencement of employment 17398  
with JobsOhio. 17399

(6) Any director, officer, or employee of JobsOhio may 17400  
request an advisory opinion from the Ohio ethics commission with 17401  
regard to questions concerning the provisions of sections 102.02 17402  
and 102.022 of the Revised Code to which the person is subject. 17403

(C) Meetings of the board of directors at which a quorum 17404

of the board is required to be physically present pursuant to 17405  
division (F) of section 187.01 of the Revised Code shall be open 17406  
to the public except, by a majority vote of the directors 17407  
present at the meeting, such a meeting may be closed to the 17408  
public only for one or more of the following purposes: 17409

(1) To consider business strategy of the corporation; 17410

(2) To consider proprietary information belonging to 17411  
potential applicants or potential recipients of business 17412  
recruitment, retention, or creation incentives. For the purposes 17413  
of this division, "proprietary information" means marketing 17414  
plans, specific business strategy, production techniques and 17415  
trade secrets, financial projections, or personal financial 17416  
statements of applicants or members of the applicants' immediate 17417  
family, including, but not limited to, tax records or other 17418  
similar information not open to the public inspection. 17419

(3) To consider legal matters, including litigation, in 17420  
which the corporation is or may be involved; 17421

(4) To consider personnel matters related to an individual 17422  
employee of the corporation. 17423

(D) The board of directors shall establish a reasonable 17424  
method whereby any person may obtain the time and place of all 17425  
public meetings described in division (C) of this section. The 17426  
method shall provide that any person, upon request and payment 17427  
of a reasonable fee, may obtain reasonable advance notification 17428  
of all such meetings. 17429

(E) The board of directors shall promptly prepare, file, 17430  
and maintain minutes of all public meetings described in 17431  
division (C) of this section. 17432

(F) Not later than the first day of July of each year, the 17433

chief investment officer of JobsOhio shall prepare and submit a 17434  
report of the corporation's activities for the preceding year to 17435  
the governor, the speaker and minority leader of the house of 17436  
representatives, and the president and minority leader of the 17437  
senate. The annual report shall include the following: 17438

(1) An analysis of the state's economy; 17439

(2) A description of the structure, operation, and 17440  
financial status of the corporation; 17441

(3) A description of the corporation's strategy to improve 17442  
the state economy and the standards of measure used to evaluate 17443  
its progress; 17444

(4) An evaluation of the performance of current strategies 17445  
and major initiatives; 17446

(5) An analysis of any statutory or administrative 17447  
barriers to successful economic development, business 17448  
recruitment, and job growth in the state identified by JobsOhio 17449  
during the preceding year. 17450

**Sec. 187.04.** (A) The director of housing and development 17451  
~~services~~, as soon as practical after February 18, 2011, shall 17452  
execute a contract with JobsOhio for the corporation to assist 17453  
the director and the department of housing and development 17454  
~~services agency~~ with providing services or otherwise carrying 17455  
out the functions or duties of the agency, including the 17456  
operation and management of programs, offices, divisions, or 17457  
boards, as may be determined by the director in consultation 17458  
with the governor. The approval or disapproval of awards 17459  
involving public money shall remain functions of the agency. All 17460  
contracts for grants, loans, and tax incentives involving public 17461  
money shall be between the agency and the recipient and shall be 17462

enforced by the agency. JobsOhio may not execute contracts 17463  
obligating the agency for loans, grants, tax credits, or 17464  
incentive awards recommended by JobsOhio to the agency. Prior to 17465  
execution, all contracts between the director and JobsOhio 17466  
entered into under this section that obligate the agency to pay 17467  
JobsOhio for services rendered are subject to controlling board 17468  
approval. 17469

The term of an initial contract entered into under this 17470  
section shall not extend beyond June 30, 2013. Thereafter, the 17471  
director and JobsOhio may renew the contract for subsequent 17472  
fiscal biennia, but at no time shall a particular contract be 17473  
effective for longer than a fiscal biennium of the general 17474  
assembly. 17475

JobsOhio's provision of services to the agency as 17476  
described in this section shall be pursuant to a contract 17477  
entered into under this section. If at any time the director 17478  
determines that the contract with JobsOhio may not be renewed 17479  
for the subsequent fiscal biennium, the director shall notify 17480  
JobsOhio of the director's decision not later than one hundred 17481  
twenty days prior to the end of the current fiscal biennium. If 17482  
the director does not provide such written notice to JobsOhio 17483  
prior to one hundred days before the end of the current fiscal 17484  
biennium, the contract shall be renewed upon such terms as the 17485  
parties may agree, subject to the requirements of this section. 17486

(B) A contract entered into under this section shall 17487  
include all of the following: 17488

(1) Terms assigning to the corporation the duties of 17489  
advising and assisting the director in the director's evaluation 17490  
of the agency and the formulation of recommendations under 17491  
section 187.05 of the Revised Code; 17492

(2) Terms designating records created or received by 17493  
JobsOhio that shall be made available to the public under the 17494  
same conditions as are public records under section 149.43 of 17495  
the Revised Code. Documents designated to be made available to 17496  
the public pursuant to the contract shall be kept on file with 17497  
the agency. 17498

Among records to be designated under this division shall 17499  
be the following: 17500

(a) The corporation's federal income tax returns; 17501

(b) The report of expenditures described in division (B) 17502  
(3) of section 187.03 of the Revised Code. The records shall be 17503  
filed with the agency at such times and frequency as agreed to 17504  
by the corporation and the agency, which shall not be less 17505  
frequently than quarterly. 17506

(c) The annual total compensation paid to each officer and 17507  
employee of the corporation; 17508

(d) A copy of the report for each financial audit of the 17509  
corporation and of each supplemental compliance and control 17510  
review of the corporation performed by a firm of independent 17511  
certified public accountants pursuant to division (J) of section 17512  
187.01 of the Revised Code. 17513

(e) Records of any fully executed incentive proposals, to 17514  
be filed annually; 17515

(f) Records pertaining to the monitoring of commitments 17516  
made by incentive recipients, to be filed annually; 17517

(g) A copy of the minutes of all public meetings described 17518  
in division (C) of section 187.03 of the Revised Code not 17519  
otherwise closed to the public. 17520

(3) The following statement acknowledging that JobsOhio is 17521  
not acting as an agent of the state: 17522

"JobsOhio shall have no power or authority to bind the 17523  
state or to assume or create an obligation or responsibility, 17524  
expressed or implied, on behalf of the state or in its name, nor 17525  
shall JobsOhio represent to any person that it has any such 17526  
power or authority, except as expressly provided in this 17527  
contract." 17528

(C) (1) Records created by JobsOhio are not public records 17529  
for the purposes of Chapter 149. of the Revised Code, regardless 17530  
of who may have custody of the records, unless the record is 17531  
designated to be available to the public by the contract under 17532  
division (B) (2) of this section. 17533

(2) Records received by JobsOhio from any person or entity 17534  
that is not subject to section 149.43 of the Revised Code are 17535  
not public records for purposes of Chapter 149. of the Revised 17536  
Code, regardless of who may have custody of the records, unless 17537  
the record is designated to be available to the public by the 17538  
contract under division (B) (2) of this section. 17539

(3) Records received by JobsOhio from a public office as 17540  
defined in section 149.011 of the Revised Code that are not 17541  
public records under section 149.43 of the Revised Code when in 17542  
the custody of the public office are not public records for the 17543  
purposes of section 149.43 of the Revised Code regardless of who 17544  
has custody of the records. 17545

(4) Division (B) of section 4701.19 of the Revised Code 17546  
applies to any work papers of the firm of independent certified 17547  
public accountants engaged to perform the annual financial audit 17548  
and the supplemental compliance and control review described in 17549

division (J) of section 187.01 of the Revised Code, and to the 17550  
financial audit report and any report of the supplemental 17551  
compliance and control review, unless the record is designated 17552  
to be available to the public by the contract under division (B) 17553  
(2) of this section. 17554

(D) Any contract executed under authority of this section 17555  
shall not negate, impair, or otherwise adversely affect the 17556  
obligation of this state to pay debt charges on securities 17557  
executed by the director or issued by the treasurer of state, 17558  
Ohio public facilities commission, or any other issuing 17559  
authority under Chapter 122., 151., 165., or 166. of the Revised 17560  
Code to fund economic development programs of the state, or to 17561  
abide by any pledge or covenant relating to the payment of those 17562  
debt charges made in any related proceedings. As used in this 17563  
division, "debt charges," "proceedings," and "securities" have 17564  
the same meanings as in section 133.01 of the Revised Code. 17565

(E) Nothing in this section, other than the requirement of 17566  
controlling board approval, shall prohibit the agency from 17567  
contracting with JobsOhio to perform any of the following 17568  
functions: 17569

- (1) Promoting and advocating for the state; 17570
- (2) Making recommendations to the agency; 17571
- (3) Performing research for the agency; 17572
- (4) Establishing and managing programs or offices on 17573  
behalf of the agency, by contract; 17574
- (5) Negotiating on behalf of the state. 17575

(F) Nothing in this section, other than the requirement of 17576  
controlling board approval, shall prohibit the agency from 17577

compensating JobsOhio from funds currently appropriated to the 17578  
agency to perform the functions described in division (E) of 17579  
this section. 17580

**Sec. 187.05.** The director of housing and development 17581  
~~services~~, as soon as practical after February 18, 2011, shall, 17582  
in consultation with the governor, evaluate all powers, 17583  
functions, and duties of the department of housing and 17584  
~~development-services-agency~~. Within six months after February 17585  
18, 2011, the director shall submit a report to the general 17586  
assembly recommending statutory changes necessary to improve the 17587  
functioning and efficiency of the agency-department and to 17588  
transfer specified powers, functions, and duties of the ~~agency-~~ 17589  
department to other existing agencies of the state or to 17590  
JobsOhio, or eliminate specified powers, functions, or duties. 17591  
The recommendations shall be submitted in writing to the speaker 17592  
and minority leader of the house of representatives and the 17593  
president and minority leader of the senate. 17594

After submitting the report, the director, in consultation 17595  
with the governor, shall continue to evaluate the ~~agency-~~ 17596  
department and make additional recommendations on such matters 17597  
to the general assembly. 17598

**Sec. 187.061.** (A) Each officer and employee of JobsOhio 17599  
shall do all of the following: 17600

(1) Sign an ethical conduct statement prescribed by the 17601  
board of directors of JobsOhio; 17602

(2) Complete an annual course or program of study on 17603  
ethics. The course or program of study shall be reviewed and 17604  
approved by the board of directors. 17605

(3) Comply with the gift policy prescribed by the board of 17606



directors. 17607

(B) Prior to the renewal of the contract between the 17608  
director of housing and development services and JobsOhio as 17609  
described in section 187.04 of the Revised Code, the board of 17610  
directors shall submit to the controlling board a comprehensive 17611  
review of the ethics policies and procedures that have been 17612  
adopted by JobsOhio. 17613

**Sec. 191.02.** There is hereby established the Ohio 17614  
broadband pole replacement and undergrounding program within the 17615  
department of housing and development to advance the provision 17616  
of qualifying broadband service access to residences and 17617  
businesses in an unserved area by reimbursing certain costs of 17618  
pole replacements, mid-span pole installations, and 17619  
undergrounding. 17620

The department shall administer and provide staff 17621  
assistance for the program. The department shall be responsible 17622  
for receiving and reviewing program applications and for sending 17623  
completed applications to the broadband expansion program 17624  
authority for final review and award of program reimbursements. 17625

**Sec. 191.03.** (A) The department of housing and development 17626  
shall establish an administrative process to award program 17627  
reimbursements under the Ohio broadband pole replacement and 17628  
undergrounding program according to the provisions of sections 17629  
191.03 to 191.45 of the Revised Code. 17630

(B) The broadband expansion program authority shall award 17631  
program reimbursements after reviewing program applications and 17632  
determining whether the applications meet the program's 17633  
requirements for reimbursement. 17634

**Sec. 191.10.** In accordance with sections 191.10 to 191.45 17635

of the Revised Code, a provider may submit an application for a 17636  
program reimbursement under the Ohio broadband pole replacement 17637  
and undergrounding program, if the provider has deployed 17638  
qualifying broadband infrastructure in an unserved area and has 17639  
paid any of the following costs in connection with the 17640  
deployment of such broadband infrastructure: 17641

(A) Pole replacement costs; 17642

(B) Mid-span pole installation costs; 17643

(C) Undergrounding costs. 17644

The application shall be submitted on a form prescribed by 17645  
the department of housing and development. 17646

**Sec. 191.13.** (A) Not later than sixty days after the pole 17647  
replacement fund created in section 191.27 of the Revised Code 17648  
receives funds for the purpose of providing program 17649  
reimbursements under the Ohio broadband pole replacement and 17650  
undergrounding program, the department of housing and 17651  
development shall develop and publish an application form for 17652  
the program and post the form on the department web site. 17653

(B) An application shall include the following 17654  
information: 17655

(1) The number, cost, and locations of pole replacements, 17656  
mid-span pole installations, and undergrounding for which 17657  
reimbursement is requested; 17658

(2) Documentation sufficient to establish that the pole 17659  
replacements, mid-span pole installations, and undergrounding 17660  
described in the application have been completed; 17661

(3) Documentation sufficient to establish how the costs 17662  
for which reimbursement is requested comport with the 17663

reimbursement requirements under the program; 17664

(4) The reimbursement amount requested under the program; 17665

(5) Documentation of any broadband grant funding awarded 17666  
or received for the area described in the application; 17667

(6) Accounting information that is sufficient to 17668  
demonstrate that costs for which a program reimbursement is 17669  
requested are eligible for a program reimbursement pursuant to 17670  
division (C) of section 191.21 of the Revised Code, if the 17671  
applicant has received any grant funding described in division 17672  
(B) (5) of this section; 17673

(7) A notarized statement, from an officer or agent of the 17674  
applicant, that the contents of the application are true and 17675  
accurate and that the applicant accepts the requirements of the 17676  
program as a condition of receiving a program reimbursement; 17677

(8) Any information necessary to demonstrate the 17678  
applicant's compliance, and agreement to comply, with any 17679  
conditions associated with the reimbursement awarded to the 17680  
applicant; 17681

(9) Any other information the department considers 17682  
necessary for final review and for the award and payment of 17683  
program reimbursements. 17684

(C) If any federal funds are used for any awards under the 17685  
program, the application form shall identify and describe any 17686  
additional federal conditions required in connection with the 17687  
use of the federal funds. 17688

**Sec. 191.15.** (A) Before receiving a program reimbursement 17689  
under the Ohio broadband pole replacement and undergrounding 17690  
program, each applicant shall agree to do the following: 17691

(1) Not later than ninety days after receipt of a program reimbursement, activate qualifying broadband service to end users utilizing the broadband infrastructure for which the applicant has received reimbursement for pole replacement, mid-span pole installation, or undergrounding costs;

(2) Certify the application's compliance with the requirements of sections 191.10 to 191.24 of the Revised Code;

(3) Comply with any federal requirements associated with the funding used by the broadband expansion program authority in connection with the award;

(4) Refund all or any portion of reimbursements received under the program as specified in section 191.30 of the Revised Code, if pursuant to that section the applicant is found to have materially violated any of the requirements of sections 191.10 to 191.24 of the Revised Code.

(B) For an application regarding a pole replacement or mid-span pole installation, the applicant shall do the following if the applicant is the pole owner, or affiliate of the pole owner:

(1) Comply with division (A) of this section;

(2) Commit that the pole owner will comply with all applicable pole attachment regulations and requirements imposed by the state or federal government;

(3) Commit that the pole owner will exclude from its costs used to calculate its rates or charges for access to its utility poles for which the applicant has been reimbursed as follows:

(a) Under the Ohio broadband pole replacement and undergrounding program or any other broadband grant program;

(b) By a provider, for make-ready charges; 17720

(4) (a) Commit that the pole owner will maintain and make 17721  
available, upon reasonable request, to the department of housing 17722  
and development or to a party subject to the rates and charges 17723  
described in division (B) (3) of this section, accounting 17724  
documentation sufficient to demonstrate compliance with division 17725  
(B) (3) of this section; 17726

(b) Division (B) (4) (a) of this section does not apply to 17727  
an electric distribution utility as defined in section 4928.01 17728  
of the Revised Code, unless the electric distribution utility is 17729  
the applicant. 17730

**Sec. 191.17.** (A) Not later than sixty days after receiving 17731  
an application forwarded by the department of housing and 17732  
development, the broadband expansion program authority shall 17733  
award program reimbursements to the applicant for costs 17734  
described in divisions (A) and (B) of section 191.21 of the 17735  
Revised Code after reviewing the application, and establishing 17736  
the applicant's eligibility for reimbursement under the Ohio 17737  
broadband pole replacement and undergrounding program. Except as 17738  
provided in division (B) of this section, program reimbursements 17739  
shall be in an amount equal to the lesser of seven thousand five 17740  
hundred dollars or seventy-five per cent of the total amount 17741  
paid by the applicant for each pole replacement or mid-span pole 17742  
installation. 17743

(B) For undergrounding costs described under division (B) 17744  
of section 191.21 of the Revised Code, the authority shall 17745  
approve program reimbursements as provided in division (A) of 17746  
this section, except that the reimbursements may not exceed the 17747  
reimbursement amount that would be available under division (A) 17748  
of this section, if the applicant had attached broadband 17749

infrastructure to utility poles instead of undergrounding that 17750  
infrastructure. 17751

**Sec. 191.19.** (A) The department of housing and 17752  
development, at the direction of the broadband expansion program 17753  
authority, shall issue program reimbursements awarded for 17754  
applications approved under the Ohio broadband pole replacement 17755  
and undergrounding program. The reimbursements shall be made 17756  
using money available for this purpose in the broadband pole 17757  
replacement fund created in section 191.27 of the Revised Code. 17758  
The authority shall award, and the department shall fund, 17759  
reimbursements until funds available for that purpose are no 17760  
longer available. 17761

(B) If, upon the exhaustion of the fund, there are any 17762  
applications pending, the applications shall be denied. 17763  
Applications that have been denied pursuant to this division may 17764  
be resubmitted to the department, and, if sufficient money is 17765  
later deposited in the fund, reimbursements may be awarded 17766  
according to the application and award process under sections 17767  
191.10 to 191.24 of the Revised Code. 17768

**Sec. 191.27.** There is hereby created in the state treasury 17769  
the broadband pole replacement fund consisting of money credited 17770  
or transferred to the fund, money appropriated by the general 17771  
assembly, including from available federal funds, or money 17772  
authorized for expenditure by the state controlling board under 17773  
section 131.35 of the Revised Code from available federal funds, 17774  
and grants, gifts, and contributions made directly to the fund. 17775  
Money in the fund shall be used by the department of housing and 17776  
development to provide reimbursements awarded under the Ohio 17777  
broadband pole replacement and undergrounding program and by the 17778  
director of housing and development to administer the program. 17779

**Sec. 191.30.** (A) The department of housing and development 17780  
shall direct an applicant that has been awarded a program 17781  
reimbursement under the Ohio broadband pole replacement and 17782  
undergrounding program to refund, with interest, all or any 17783  
portion of the reimbursements the applicant received under the 17784  
program, if the department finds, upon substantial evidence and 17785  
after notice and the opportunity to respond, that the applicant 17786  
materially violated any of the requirements agreed to under 17787  
sections 191.10 to 191.24 of the Revised Code with respect to 17788  
all or any portion of the reimbursements received. The interest 17789  
included with a refund under this section shall be at the 17790  
applicable federal funds rate as specified in division (B) of 17791  
section 1304.84 of the Revised Code. 17792

(B) At the direction of the department, refunds submitted 17793  
under division (A) of this section shall be deposited into the 17794  
broadband pole replacement fund created in section 191.27 of the 17795  
Revised Code or the general revenue fund. 17796

**Sec. 191.33.** Not later than sixty days after the first 17797  
amount of money is deposited to the credit of the broadband pole 17798  
replacement fund created in section 191.27 of the Revised Code, 17799  
the department of housing and development shall publish and 17800  
regularly update on its web site the following program 17801  
information: 17802

(A) The number of program applications received, 17803  
processed, and rejected by the broadband expansion program 17804  
authority; 17805

(B) The number, reimbursement amount, and status of 17806  
program reimbursements awarded by the authority; 17807

(C) The number of providers receiving reimbursements; 17808

(D) The balance remaining in the fund at the time of the 17809  
latest program update on the web site. 17810

**Sec. 191.35.** Beginning not later than one year after the 17811  
first amount of money is deposited to the credit of the 17812  
broadband pole replacement fund created in section 191.27 of the 17813  
Revised Code and annually thereafter, the auditor of state shall 17814  
audit the fund and its administration by the broadband expansion 17815  
program authority and the department of housing and development 17816  
for compliance with the requirements of sections 191.02 to 17817  
191.45 of the Revised Code. 17818

**Sec. 191.37.** Not later than one year after each time money 17819  
in the broadband pole replacement fund created in section 191.27 17820  
of the Revised Code is exhausted, the broadband expansion 17821  
program authority shall identify, examine, and report on the 17822  
deployment of qualifying broadband infrastructure under the Ohio 17823  
broadband pole replacement and undergrounding program and the 17824  
technology facilitated by the program reimbursements the 17825  
authority has awarded. The report shall be published on the 17826  
department of housing and development web site. 17827

**Sec. 191.40.** Not later than ninety days after ~~the~~ 17828  
~~effective date of this section October 3, 2023,~~ the director of 17829  
housing and development shall adopt rules under Chapter 119. of 17830  
the Revised Code that are necessary for successful and efficient 17831  
administration of the broadband pole replacement and 17832  
undergrounding program. 17833

**Sec. 191.44.** The department of housing and development in 17834  
coordination with the Ohio broadband expansion program authority 17835  
shall do the following, for the period ending six months after 17836  
the date described in section 191.43 of the Revised Code: 17837



(A) Complete the review of any program applications that 17838  
were submitted prior to the date described in section 191.43 of 17839  
the Revised Code and pay program reimbursements for the approved 17840  
applications; 17841

(B) Complete the review of any program applications 17842  
submitted not later than four months after the date described in 17843  
section 191.43 of the Revised Code and pay program 17844  
reimbursements for the approved applications, if the 17845  
reimbursements are for costs that were incurred prior to the 17846  
date described in section 191.43 of the Revised Code. 17847

**Sec. 191.45.** If there is an outstanding balance in the 17848  
broadband pole replacement fund after the Ohio broadband pole 17849  
replacement program reimbursements are paid pursuant to section 17850  
191.44 of the Revised Code, the remaining balance shall be 17851  
returned to the original funding sources as determined by the 17852  
department of housing and development. 17853

**Sec. 308.21.** (A) The board of trustees of a regional 17854  
airport authority, the board of directors of a port authority, 17855  
or the legislative authority of a municipal corporation that 17856  
owns, operates, or maintains a qualifying airport may, by 17857  
resolution adopted before January 1, 2024, create an airport 17858  
development district for the purpose of developing and 17859  
implementing plans for public infrastructure improvements that 17860  
benefit the qualifying airport and to finance expenditures to 17861  
attract or retain airlines, increase the number of scheduled 17862  
flights to and from the qualifying airport, or increase use of 17863  
the airport by aircraft having greater passenger capacity or 17864  
greater first-class seating availability. The resolution shall 17865  
include a development plan for the district that, at minimum, 17866  
specifies all of the following: 17867

(1) The manner in which the nonprofit corporation that is 17868  
to govern the district will be formed, operated, and organized; 17869

(2) The manner in which the board of directors of the 17870  
nonprofit corporation that is to govern the district are 17871  
appointed; 17872

(3) A plan for the public infrastructure improvements and 17873  
other expenditures to be financed by the district; 17874

(4) A description of the territory of the district, which 17875  
shall consist of all parcels of real property that are located 17876  
within five miles of the qualifying airport. For the purpose of 17877  
this division, a parcel is located within five miles of a 17878  
qualifying airport if the distance between any portion of the 17879  
parcel and any portion of the qualifying airport is five miles 17880  
or less. 17881

(B) After adopting a resolution under division (A) of this 17882  
section, the board of trustees of the regional airport 17883  
authority, board of directors of the port authority, or 17884  
legislative authority of the municipal corporation shall submit 17885  
a copy to the director of housing and development. 17886

(C) An airport development district is not a political 17887  
subdivision for any purpose prescribed in the Revised Code. A 17888  
district shall be considered a public agency under section 17889  
102.01 of the Revised Code and a public authority under section 17890  
4115.03 of the Revised Code. Districts are subject to sections 17891  
121.22 and 121.23 of the Revised Code, but are not subject to 17892  
sections 121.81 to 121.82 of the Revised Code. 17893

**Sec. 321.261.** (A) In each county treasury there shall be 17894  
created the treasurer's delinquent tax and assessment collection 17895  
fund and the prosecuting attorney's delinquent tax and 17896

assessment collection fund. Except as otherwise provided in this 17897  
division, two and one-half per cent of all delinquent real 17898  
property, personal property, and manufactured and mobile home 17899  
taxes and assessments collected by the county treasurer shall be 17900  
deposited in the treasurer's delinquent tax and assessment 17901  
collection fund, and two and one-half per cent of such 17902  
delinquent taxes and assessments shall be deposited in the 17903  
prosecuting attorney's delinquent tax and assessment collection 17904  
fund. The board of county commissioners shall appropriate to the 17905  
county treasurer from the treasurer's delinquent tax and 17906  
assessment collection fund, and shall appropriate to the 17907  
prosecuting attorney from the prosecuting attorney's delinquent 17908  
tax and assessment collection fund, money to the credit of the 17909  
respective fund, and except as provided in division (D) of this 17910  
section, the appropriation shall be used only for the following 17911  
purposes: 17912

(1) By the county treasurer or the county prosecuting 17913  
attorney in connection with the collection of delinquent real 17914  
property, personal property, and manufactured and mobile home 17915  
taxes and assessments, including proceedings related to 17916  
foreclosure of the state's lien for such taxes against such 17917  
property; 17918

(2) With respect to any portion of the amount appropriated 17919  
from the treasurer's delinquent tax and assessment collection 17920  
fund for the benefit of a county land reutilization corporation 17921  
organized under Chapter 1724. of the Revised Code, the county 17922  
land reutilization corporation. Upon the deposit of amounts in 17923  
the treasurer's delinquent tax and assessment collection fund, 17924  
any amounts allocated at the direction of the treasurer to the 17925  
support of the county land reutilization corporation shall be 17926  
paid out of such fund to the corporation upon a warrant of the 17927

county auditor. 17928

If the balance in the treasurer's or prosecuting 17929  
attorney's delinquent tax and assessment collection fund exceeds 17930  
three times the amount deposited into the fund in the preceding 17931  
year, the treasurer or prosecuting attorney, on or before the 17932  
twentieth day of October of the current year, may direct the 17933  
county auditor to forgo the allocation of delinquent taxes and 17934  
assessments to that officer's respective fund in the ensuing 17935  
year. If the county auditor receives such direction, the auditor 17936  
shall cause the portion of taxes and assessments that otherwise 17937  
would be credited to the fund under this section in that ensuing 17938  
year to be allocated and distributed among taxing units' funds 17939  
as otherwise provided in this chapter and other applicable law. 17940

(B) During the period of time that a county land 17941  
reutilization corporation is functioning as such on behalf of a 17942  
county, the board of county commissioners, upon the request of 17943  
the county treasurer, may designate by resolution that an 17944  
additional amount, not exceeding five per cent of all 17945  
collections of delinquent real property, personal property, and 17946  
manufactured and mobile home taxes and assessments, shall be 17947  
deposited in the treasurer's delinquent tax and assessment 17948  
collection fund and be available for appropriation by the board 17949  
for the use of the corporation. Any such amounts so deposited 17950  
and appropriated under this division shall be paid out of the 17951  
treasurer's delinquent tax and assessment collection fund to the 17952  
corporation upon a warrant of the county auditor. 17953

(C) Annually by the first day of December, the county 17954  
treasurer and the prosecuting attorney each shall submit a 17955  
report to the board of county commissioners regarding the use of 17956  
the moneys appropriated from their respective delinquent tax and 17957

assessment collection funds. Each report shall specify the 17958  
amount appropriated from the fund during the current calendar 17959  
year, an estimate of the amount so appropriated that will be 17960  
expended by the end of the year, a summary of how the amount 17961  
appropriated has been expended in connection with delinquent tax 17962  
collection activities or land reutilization, and an estimate of 17963  
the amount that will be credited to the fund during the ensuing 17964  
calendar year. 17965

The annual report of a county land reutilization 17966  
corporation required by section 1724.05 of the Revised Code 17967  
shall include information regarding the amount and use of the 17968  
moneys that the corporation received from the treasurer's 17969  
delinquent tax and assessment collection fund. 17970

(D) (1) In any county, if the county treasurer or 17971  
prosecuting attorney determines that the balance to the credit 17972  
of that officer's corresponding delinquent tax and assessment 17973  
collection fund exceeds the amount required to be used as 17974  
prescribed by division (A) of this section, the county treasurer 17975  
or prosecuting attorney may expend the excess to prevent 17976  
residential mortgage foreclosures in the county and to address 17977  
problems associated with other foreclosed real property. The 17978  
amount used for that purpose in any year may not exceed the 17979  
amount that would cause the fund to have a reserve of less than 17980  
twenty per cent of the amount expended in the preceding year for 17981  
the purposes of division (A) of this section. 17982

Money authorized to be expended under division (D) (1) of 17983  
this section shall be used to provide financial assistance in 17984  
the form of loans to borrowers in default on their home 17985  
mortgages, including for the payment of late fees, to clear 17986  
arrearage balances, and to augment moneys used in the county's 17987

foreclosure prevention program. The money also may be used to 17988  
assist county land reutilization corporations, municipal 17989  
corporations, or townships in the county, upon their application 17990  
to the county treasurer, prosecuting attorney, or the county 17991  
department of housing and development, in the nuisance abatement 17992  
of deteriorated residential buildings in foreclosure, or vacant, 17993  
abandoned, tax-delinquent, or blighted real property, including 17994  
paying the costs of boarding up such buildings, lot maintenance, 17995  
and demolition. 17996

(2) In a county having a population of more than one 17997  
hundred thousand according to the department of housing and 17998  
development's 2006 census estimate, if the county treasurer or 17999  
prosecuting attorney determines that the balance to the credit 18000  
of that officer's corresponding delinquent tax and assessment 18001  
collection fund exceeds the amount required to be used as 18002  
prescribed by division (A) of this section, the county treasurer 18003  
or prosecuting attorney may expend the excess to assist county 18004  
land reutilization corporations, townships, or municipal 18005  
corporations located in the county as provided in division (D) 18006  
(2) of this section, provided that the combined amount so 18007  
expended each year in a county shall not exceed five million 18008  
dollars. Upon application for the funds by a county land 18009  
reutilization corporation, township, or municipal corporation, 18010  
the county treasurer or prosecuting attorney may assist the 18011  
county land reutilization corporation, township, or municipal 18012  
corporation in abating foreclosed residential nuisances, 18013  
including paying the costs of securing such buildings, lot 18014  
maintenance, and demolition. At the prosecuting attorney's 18015  
discretion, the prosecuting attorney also may apply the funds to 18016  
costs of prosecuting alleged violations of criminal and civil 18017  
laws governing real estate and related transactions, including 18018

fraud and abuse. 18019

**Sec. 321.262.** Notwithstanding section 321.261 of the 18020  
Revised Code, in a county having a population of more than four 18021  
hundred thousand according to the department of housing and 18022  
development's 2006 census estimate, if the county treasurer or 18023  
prosecuting attorney determines that the amount appropriated to 18024  
the office from the county's delinquent tax and assessment 18025  
collection fund exceeds the amount required to be used as 18026  
prescribed by that section, the county treasurer or prosecuting 18027  
attorney may expend the excess to provide financial assistance 18028  
in the form of loans to borrowers in default on their home 18029  
mortgages, including for the payment of late fees, to clear 18030  
arrearage balances, and to augment moneys used in the county's 18031  
foreclosure prevention program, provided that the combined 18032  
amount so expended each year in the county shall not exceed 18033  
three million dollars. 18034

**Sec. 333.03.** (A) A person seeking to enter into an 18035  
agreement and obtain payments under section 333.02 of the 18036  
Revised Code shall provide both of the following to the board of 18037  
county commissioners: 18038

(1) A certification by the person's chief financial 18039  
officer, or the equivalent if that position does not exist, that 18040  
the criteria listed in division (B) of section 333.01 of the 18041  
Revised Code will be met; and 18042

(2) An application on a form or in a format acceptable to 18043  
the board that describes the proposed impact facility, including 18044  
the projected level of investment in and new jobs to be created 18045  
at the facility, the rationale used for determining that more 18046  
than fifty per cent of the facility's visitors live at least 18047  
fifty miles from the facility, the types of activities to be 18048

conducted at the facility, the projected levels of sales to 18049  
occur at the facility, a calculation of the facility's square 18050  
footage that will be dedicated to educational or exhibition 18051  
activities, and any other information the board of county 18052  
commissioners reasonably requests about the expected operations 18053  
of the facility. 18054

(B) The board of county commissioners shall request the 18055  
director of housing and development services to certify that the 18056  
proposed facility meets the criteria for an impact facility 18057  
listed in division (B) of section 333.01 of the Revised Code. 18058  
The board of county commissioners may, but need not, make 18059  
findings of fact that a proposed facility meets the criteria for 18060  
an impact facility listed in division (B) of section 333.01 of 18061  
the Revised Code before or after requesting the certification. 18062  
If the director of housing and development services certifies a 18063  
proposed facility as an impact facility under this section, and 18064  
if the board makes such findings, the findings and certification 18065  
are conclusive and not subject to reopening at any time. 18066

**Sec. 333.04.** (A) After review of the items submitted under 18067  
division (A) of section 333.03 of the Revised Code, and after 18068  
receipt of the certification from the director of housing and 18069  
development services under division (B) of that section, a board 18070  
of county commissioners, before June 1, 2015, may enter into an 18071  
agreement under section 333.02 of the Revised Code, provided 18072  
that the board has determined all of the following: 18073

- (1) The proposed impact facility is economically sound; 18074
- (2) Construction of the proposed impact facility has not 18075  
begun prior to the day the agreement is entered into; 18076
- (3) The impact facility will benefit the county by 18077



increasing employment opportunities and strengthening the local 18078  
and regional economy; and 18079

(4) Receiving payments from the board of county 18080  
commissioners is a major factor in the person's decision to go 18081  
forward with construction of the impact facility. 18082

(B) An agreement entered into under this section shall 18083  
include all of the following: 18084

(1) A description of the impact facility that is the 18085  
subject of the agreement, including the existing investment 18086  
level, if any, the proposed amount of investments, the scheduled 18087  
starting and completion dates for the facility, and the number 18088  
and type of full-time equivalent positions to be created at the 18089  
facility; 18090

(2) The percentage of the county sales and use tax 18091  
collected at the impact facility that will be used to make 18092  
payments to the person entering into the agreement; 18093

(3) The term of the payments and the first calendar 18094  
quarter in which the person may apply for a payment under 18095  
section 333.06 of the Revised Code; 18096

(4) A requirement that the amount of payments made to the 18097  
person during the term established under division (B) (3) of this 18098  
section shall not exceed the person's qualifying investment, and 18099  
that all payments cease when that amount is reached; 18100

(5) A requirement that the person maintain operations at 18101  
the impact facility for at least the term established under 18102  
division (B) (3) of this section; 18103

(6) A requirement that the person annually certify to the 18104  
board of county commissioners, on or before a date established 18105

by the board in the agreement, the level of investment in, the 18106  
number of employees and type of full-time equivalent positions 18107  
at, and the amount of county sales and use tax collected and 18108  
remitted to the tax commissioner or treasurer of state from 18109  
sales made at, the facility; 18110

(7) A provision stating that the creation of the proposed 18111  
impact facility does not involve the relocation of any full-time 18112  
equivalent positions or any tangible personal property to the 18113  
impact facility from another facility owned by the person, or a 18114  
related member of the person, that is located in another 18115  
political subdivision of this state, other than the political 18116  
subdivision in which the impact facility is or will be located; 18117

(8) A detailed explanation of how the person determined 18118  
that more than fifty per cent of the visitors to the facility 18119  
live at least fifty miles from the facility. 18120

(C) No payment may be made under this chapter to a person 18121  
that is found to be in violation of the provision described in 18122  
division (B) (7) of this section. 18123

**Sec. 333.05.** (A) Except as otherwise provided in this 18124  
division, if a person fails to meet or comply with any provision 18125  
of an agreement entered into under section 333.02 of the Revised 18126  
Code, the board of county commissioners may amend the agreement 18127  
to reduce the percentage or term, or both, of the payments the 18128  
person is entitled to receive under the agreement. The reduction 18129  
shall commence in the calendar quarter immediately following the 18130  
calendar quarter in which the board amends the agreement. If a 18131  
person fails to comply with the provision described in division 18132  
(B) (7) of section 333.04 of the Revised Code, no payments may be 18133  
made under this chapter to that person after the person is found 18134  
to be in violation. 18135

(B) A board of county commissioners shall submit to the 18136  
department of housing and development and to the tax 18137  
commissioner a copy of each agreement entered into under section 18138  
333.02 of the Revised Code and any modifications to an agreement 18139  
within thirty days after finalization or modification of the 18140  
agreement. 18141

**Sec. 340.13.** (A) As used in this section: 18142

(1) "Minority business enterprise" has the same meaning as 18143  
in section 122.71 of the Revised Code. 18144

(2) "EDGE business enterprise" has the same meaning as in 18145  
section 122.922 of the Revised Code. 18146

(B) Any minority business enterprise that desires to bid 18147  
on a contract under division (C) of this section shall first 18148  
apply to the department of housing and development for 18149  
certification as a minority business enterprise. Any EDGE 18150  
business enterprise that desires to bid on a contract under 18151  
division (D) of this section shall first apply to the department 18152  
of housing and development for certification as an EDGE business 18153  
enterprise. The director of housing and development shall 18154  
approve the application of any minority business enterprise or 18155  
EDGE business enterprise that complies with the rules adopted 18156  
under section 122.71 or 122.922 of the Revised Code, 18157  
respectively. The director shall prepare and maintain a list of 18158  
minority business enterprises and EDGE business enterprises 18159  
certified under those sections. 18160

(C) From the contracts to be awarded for the purchases of 18161  
equipment, materials, supplies, or services, other than 18162  
contracts entered into under section 340.036 of the Revised 18163  
Code, each board of alcohol, drug addiction, and mental health 18164

services shall select a number of contracts with an aggregate 18165  
value of approximately fifteen per cent of the total estimated 18166  
value of contracts to be awarded in the current fiscal year. The 18167  
board shall set aside the contracts so selected for bidding by 18168  
minority business enterprises only. The bidding procedures for 18169  
such contracts shall be the same as for all other contracts 18170  
awarded under section 307.86 of the Revised Code, except that 18171  
only minority business enterprises certified and listed pursuant 18172  
to division (B) of this section shall be qualified to submit 18173  
bids. 18174

(D) To the extent that a board is authorized to enter into 18175  
contracts for construction, the board shall strive to attain a 18176  
yearly contract dollar procurement goal the aggregate value of 18177  
which equals approximately five per cent of the aggregate value 18178  
of construction contracts for the current fiscal year for EDGE 18179  
business enterprises only. 18180

(E) (1) In the case of contracts set aside under division 18181  
(C) of this section, if no bid is submitted by a minority 18182  
business enterprise, the contract shall be awarded according to 18183  
normal bidding procedures. The board shall from time to time set 18184  
aside such additional contracts as are necessary to replace 18185  
those contracts previously set aside on which no minority 18186  
business enterprise bid. 18187

(2) If a board, after having made a good faith effort, is 18188  
unable to comply with the goal of procurement for contracting 18189  
with EDGE business enterprises pursuant to division (D) of this 18190  
section, the board may apply in writing, on a form prescribed by 18191  
the department of administrative services, to the director of 18192  
mental health and addiction services for a waiver or 18193  
modification of the goal. 18194

(F) This section does not preclude any minority business 18195  
enterprise or EDGE business enterprise from bidding on any other 18196  
contract not specifically set aside for minority business 18197  
enterprises or subject to procurement goals for EDGE business 18198  
enterprises. 18199

(G) Within ninety days after the beginning of each fiscal 18200  
year, each board shall file a report with the department of 18201  
mental health and addiction services that shows for that fiscal 18202  
year the name of each minority business enterprise and EDGE 18203  
business enterprise with which the board entered into a 18204  
contract, the value and type of each such contract, the total 18205  
value of contracts awarded under divisions (C) and (D) of this 18206  
section, the total value of contracts awarded for the purchases 18207  
of equipment, materials, supplies, or services, other than 18208  
contracts entered into under section 340.036 of the Revised 18209  
Code, and the total value of contracts entered into for 18210  
construction. 18211

(H) Any person who intentionally misrepresents self as 18212  
owning, controlling, operating, or participating in a minority 18213  
business enterprise or an EDGE business enterprise for the 18214  
purpose of obtaining contracts or any other benefits under this 18215  
section shall be guilty of theft by deception as provided for in 18216  
section 2913.02 of the Revised Code. 18217

**Sec. 703.34.** (A) As used in this section, "condition for 18218  
the dissolution of a village" means any of the following: 18219

(1) The village has been declared to be in a fiscal 18220  
emergency under Chapter 118. of the Revised Code and has been in 18221  
fiscal emergency for at least three consecutive years with 18222  
little or no improvement on the conditions that caused the 18223  
fiscal emergency declaration. 18224

(2) The village has failed to properly follow applicable 18225  
election laws for at least two consecutive election cycles for 18226  
any one elected office in the village. 18227

(3) The village has been declared during an audit 18228  
conducted under section 117.11 of the Revised Code to be 18229  
unauditable under section 117.41 of the Revised Code in at least 18230  
two consecutive audits. 18231

(4) The village does not provide at least two services 18232  
typically provided by municipal government, such as police or 18233  
fire protection, garbage collection, water or sewer service, 18234  
emergency medical services, road maintenance, or similar 18235  
services. "Services" does not include any administrative service 18236  
or legislative action. 18237

(5) The village has failed for any fiscal year to adopt 18238  
the tax budget required by section 5705.28 of the Revised Code. 18239

(6) A village elected official has been convicted of theft 18240  
in office, either under section 2921.41 of the Revised Code or 18241  
an equivalent criminal statute at the federal level, at least 18242  
two times in a period of ten years. The convicted official with 18243  
respect to those convictions may be the same person or different 18244  
persons. 18245

(B) If the auditor of state finds, in an audit report 18246  
issued under division (A) or (B) of section 117.11 of the 18247  
Revised Code of a village that has a population of one hundred 18248  
fifty persons or less and consists of less than two square 18249  
miles, that the village meets at least two conditions for the 18250  
dissolution of a village, the auditor of state shall send a 18251  
certified copy of the report together with a letter to the 18252  
attorney general requesting the attorney general to institute 18253

legal action to dissolve the village in accordance with division 18254  
(C) of this section. The report and letter shall be sent to the 18255  
attorney general within ten business days after the auditor of 18256  
state's transmittal of the report to the village. The audit 18257  
report transmitted to the village shall be accompanied by a 18258  
notice to the village of the auditor's intent to refer the 18259  
report to the attorney general for legal action in accordance 18260  
with this section. 18261

(C) Within twenty days of receipt of the auditor of 18262  
state's report and letter, the attorney general may file a legal 18263  
action in the court of common pleas on behalf of the state to 18264  
request the dissolution of the village that is the subject of 18265  
the audit report. If a legal action is filed, the court shall 18266  
hold a hearing within ninety days after the date the attorney 18267  
general files the legal action with the court. Notice of the 18268  
hearing shall be filed with the attorney general, the clerk of 18269  
the village that is the subject of the action, and each fiscal 18270  
officer of a township located wholly or partly within the 18271  
village. 18272

At the hearing on dissolution, the court shall determine 18273  
if the village has a population of one hundred fifty persons or 18274  
less, consists of less than two square miles, and meets at least 18275  
two conditions for the dissolution of a village. If the court so 18276  
finds, the court shall order the dissolution of the village, 18277  
which shall proceed in accordance with sections 703.31 to 703.39 18278  
of the Revised Code. The attorney general shall file a certified 18279  
copy of the court's order of dissolution with the secretary of 18280  
state and the county recorder of the county in which the village 18281  
is situated, who shall record it in their respective offices. 18282

(D) For purposes of this section, the population of a 18283

village shall be the population determined either at the last 18284  
preceding federal decennial census or according to population 18285  
estimates certified by the department of housing and development 18286  
between decennial censuses. 18287

(E) The procedure in this section is in addition to the 18288  
procedure of section 703.33 of the Revised Code for the 18289  
dissolution of a village. 18290

**Sec. 709.024.** (A) A petition filed under section 709.021 18291  
of the Revised Code that requests to follow this section is for 18292  
the special procedure of annexing land into a municipal 18293  
corporation for the purpose of undertaking a significant 18294  
economic development project. As used in this section, 18295  
"significant economic development project" means one or more 18296  
economic development projects that can be classified as 18297  
industrial, distribution, high technology, research and 18298  
development, or commercial, which projects may include ancillary 18299  
residential and retail uses and which projects shall satisfy all 18300  
of the following: 18301

(1) Total private real and personal property investment in 18302  
a project shall be in excess of ten million dollars through land 18303  
and infrastructure, new construction, reconstruction, 18304  
installation of fixtures and equipment, or the addition of 18305  
inventory, excluding investment solely related to the ancillary 18306  
residential and retail elements, if any, of the project. As used 18307  
in this division, "private real and personal property 18308  
investment" does not include payments in lieu of taxes, however 18309  
characterized, under Chapter 725. or 1728. or sections 5709.40 18310  
to 5709.43, 5709.45 to 5709.47, 5709.73 to 5709.75, or 5709.78 18311  
to 5709.81 of the Revised Code. 18312

(2) There shall be created by the project an additional 18313



annual payroll in excess of one million dollars, excluding 18314  
payroll arising solely out of the retail elements, if any, of 18315  
the project. 18316

(3) The project has been certified by the state director 18317  
of housing and development as meeting the requirements of 18318  
divisions (A) (1) and (2) of this section. 18319

(B) Upon the filing of the petition under section 709.021 18320  
of the Revised Code in the office of the clerk of the board of 18321  
county commissioners, the clerk shall cause the petition to be 18322  
entered upon the journal of the board at its next regular 18323  
session. This entry shall be the first official act of the board 18324  
on the petition. Within five days after the filing of the 18325  
petition, the agent for the petitioners shall notify in the 18326  
manner and form specified in this division the clerk of the 18327  
legislative authority of the municipal corporation to which 18328  
annexation is proposed, the fiscal officer of each township any 18329  
portion of which is included within the territory proposed for 18330  
annexation, the clerk of the board of county commissioners of 18331  
each county in which the territory proposed for annexation is 18332  
located other than the county in which the petition is filed, 18333  
and the owners of property adjacent to the territory proposed 18334  
for annexation or adjacent to a road that is adjacent to that 18335  
territory and located directly across that road from that 18336  
territory. The notice shall refer to the time and date when the 18337  
petition was filed and the county in which it was filed and 18338  
shall have attached or shall be accompanied by a copy of the 18339  
petition and any attachments or documents accompanying the 18340  
petition as filed. 18341

Notice to a property owner is sufficient if sent by 18342  
regular United States mail to the tax mailing address listed on 18343

the county auditor's records. Notice to the appropriate 18344  
government officer shall be given by certified mail, return 18345  
receipt requested, or by causing the notice to be personally 18346  
served on the officer, with proof of service by affidavit of the 18347  
person who delivered the notice. Proof of service of the notice 18348  
on each appropriate government officer shall be filed with the 18349  
board of county commissioners with which the petition was filed. 18350

(C) (1) Within thirty days after the petition is filed, the 18351  
legislative authority of the municipal corporation to which 18352  
annexation is proposed and each township any portion of which is 18353  
included within the territory proposed for annexation may adopt 18354  
and file with the board of county commissioners an ordinance or 18355  
resolution consenting or objecting to the proposed annexation. 18356  
An objection to the proposed annexation shall be based solely 18357  
upon the petition's failure to meet the conditions specified in 18358  
division (F) of this section. Failure of the municipal 18359  
corporation or any of those townships to timely file an 18360  
ordinance or resolution consenting or objecting to the proposed 18361  
annexation shall be deemed to constitute consent by that 18362  
municipal corporation or township to the proposed annexation. 18363

(2) Within twenty days after receiving the notice required 18364  
by division (B) of this section, the legislative authority of 18365  
the municipal corporation shall adopt, by ordinance or 18366  
resolution, a statement indicating what services the municipal 18367  
corporation will provide or cause to be provided, and an 18368  
approximate date by which it will provide or cause them to be 18369  
provided, to the territory proposed for annexation, upon 18370  
annexation. If a hearing is to be conducted under division (E) 18371  
of this section, the legislative authority shall file the 18372  
statement with the clerk of the board of county commissioners at 18373  
least twenty days before the date of the hearing. 18374

(D) If all parties to the annexation proceedings consent 18375  
to the proposed annexation, a hearing shall not be held, and the 18376  
board, at its next regular session, shall enter upon its journal 18377  
a resolution granting the annexation. There is no appeal in law 18378  
or in equity from the board's entry of a resolution under this 18379  
division. The clerk of the board shall proceed as provided in 18380  
division (C) (1) of section 709.033 of the Revised Code. 18381

(E) Unless the petition is granted under division (D) of 18382  
this section, a hearing shall be held on the petition. The board 18383  
of county commissioners shall hear the petition at its next 18384  
regular session and shall notify the agent for the petitioners 18385  
of the hearing's date, time, and place. The agent for the 18386  
petitioners shall give, within five days after receipt of the 18387  
notice of the hearing from the board, to the parties and 18388  
property owners entitled to notice under division (B) of this 18389  
section, notice of the date, time, and place of the hearing. 18390  
Notice to a property owner is sufficient if sent by regular 18391  
United States mail to the tax mailing address listed on the 18392  
county auditor's records. At the hearing, the parties and any 18393  
owner of real estate within the territory proposed to be annexed 18394  
are entitled to appear for the purposes described in division 18395  
(C) of section 709.032 of the Revised Code. 18396

(F) Within thirty days after a hearing under division (E) 18397  
of this section, the board of county commissioners shall enter 18398  
upon its journal a resolution granting or denying the proposed 18399  
annexation. The resolution shall include specific findings of 18400  
fact as to whether or not each of the conditions listed in this 18401  
division has been met. If the board grants the annexation, the 18402  
clerk of the board shall proceed as provided in division (C) (1) 18403  
of section 709.033 of the Revised Code. 18404

The board shall enter a resolution granting the annexation 18405  
if it finds, based upon a preponderance of the substantial, 18406  
reliable, and probative evidence on the whole record, that each 18407  
of the following conditions has been met: 18408

(1) The petition meets all the requirements set forth in, 18409  
and was filed in the manner provided in, section 709.021 of the 18410  
Revised Code. 18411

(2) The persons who signed the petition are owners of real 18412  
estate located in the territory proposed to be annexed in the 18413  
petition and constitute all of the owners of real estate in that 18414  
territory. 18415

(3) No street or highway will be divided or segmented by 18416  
the boundary line between a township and the municipal 18417  
corporation as to create a road maintenance problem, or if the 18418  
street or highway will be so divided or segmented, the municipal 18419  
corporation has agreed, as a condition of the annexation, that 18420  
it will assume the maintenance of that street or highway. For 18421  
the purposes of this division, "street" or "highway" has the 18422  
same meaning as in section 4511.01 of the Revised Code. 18423

(4) The municipal corporation to which the territory is 18424  
proposed to be annexed has adopted an ordinance or resolution as 18425  
required by division (C) (2) of this section. 18426

(5) The state director of housing and development has 18427  
certified that the project meets the requirements of divisions 18428  
(A) (1) and (2) of this section and thereby qualifies as a 18429  
significant economic development project. The director's 18430  
certification is binding on the board of county commissioners. 18431

(G) An owner who signed the petition may appeal a decision 18432  
of the board of county commissioners denying the proposed 18433

annexation under section 709.07 of the Revised Code. No other 18434  
person has standing to appeal the board's decision in law or in 18435  
equity. If the board grants the annexation, there shall be no 18436  
appeal in law or in equity. 18437

(H) Notwithstanding anything to the contrary in section 18438  
503.07 of the Revised Code, unless otherwise provided in an 18439  
annexation agreement entered into pursuant to section 709.192 of 18440  
the Revised Code or in a cooperative economic development 18441  
agreement entered into pursuant to section 701.07 of the Revised 18442  
Code, territory annexed into a municipal corporation pursuant to 18443  
this section shall not at any time be excluded from the township 18444  
under section 503.07 of the Revised Code and, thus, remains 18445  
subject to the township's real property taxes. 18446

(I) A municipal corporation to which annexation is 18447  
proposed is entitled in its sole discretion to provide to the 18448  
territory proposed for annexation, upon annexation, services in 18449  
addition to the services described in the ordinance or 18450  
resolution adopted by the legislative authority of the municipal 18451  
corporation under division (C) (2) of this section. 18452

**Sec. 709.192.** (A) The legislative authority of one 18453  
municipal corporation, by ordinance or resolution, and the board 18454  
of township trustees of one or more townships, by resolution, 18455  
may enter into annexation agreements under this section. 18456

(B) An annexation agreement may be entered into for any 18457  
period of time and may be amended at any time in the same manner 18458  
as it was initially authorized. 18459

(C) Annexation agreements may provide for any of the 18460  
following: 18461

(1) The territory to be annexed; 18462

- (2) Any periods of time during which no annexations will 18463  
be made and any areas that will not be annexed; 18464
- (3) Land use planning matters; 18465
- (4) The provision of joint services and permanent 18466  
improvements within incorporated or unincorporated areas; 18467
- (5) The provision of services and improvements by a 18468  
municipal corporation in the unincorporated areas; 18469
- (6) The provision of services and improvements by a 18470  
township within the territory of a municipal corporation; 18471
- (7) The payment of service fees to a municipal corporation 18472  
by a township; 18473
- (8) The payment of service fees to a township by a 18474  
municipal corporation; 18475
- (9) The reallocation of the minimum mandated levies 18476  
established pursuant to section 5705.31 of the Revised Code 18477  
between a municipal corporation and a township in areas annexed 18478  
~~after the effective date of this section~~ March 27, 2002; 18479
- (10) The issuance of notes and bonds and other debt 18480  
obligations by a municipal corporation or township for public 18481  
purposes authorized by or under an annexation agreement and 18482  
provision for the allocation of the payment of the principal of, 18483  
interest on, and other charges and costs of issuing and 18484  
servicing the repayment of the debt; 18485
- (11) Agreements by a municipal corporation and township, 18486  
with owners or developers of land to be annexed, or with both 18487  
those landowners and land developers, concerning the provision 18488  
of public services, facilities, and permanent improvements; 18489

(12) The application of tax abatement statutes within the 18490  
territory covered by the annexation agreement subsequent to its 18491  
execution; 18492

(13) Changing township boundaries under Chapter 503. of 18493  
the Revised Code to exclude newly annexed territory from the 18494  
original township and providing services to that territory; 18495

(14) Payments in lieu of taxes, if any, to be paid to a 18496  
township by a municipal corporation, which payments may be in 18497  
addition to or in lieu of other payments required by law to be 18498  
made to the township by that municipal corporation; 18499

(15) Any other matter pertaining to the annexation or 18500  
development of publicly or privately owned territory. 18501

(D) Annexation agreements shall not be in derogation of 18502  
the powers granted to municipal corporations by Article XVIII, 18503  
Ohio Constitution, by any other provisions of the Ohio 18504  
Constitution, or by the provisions of a municipal charter, nor 18505  
shall municipal corporations and townships agree to share 18506  
proceeds of any tax levy, although those proceeds may be used to 18507  
make payments authorized in an annexation agreement. 18508

(E) If any party to an annexation agreement believes 18509  
another party has failed to perform its part of any provision of 18510  
that agreement, including the failure to make any payment of 18511  
moneys due under the agreement, that party shall give notice to 18512  
the other party clearly stating what breach has occurred. The 18513  
party receiving the notice has ninety days from the receipt of 18514  
that notice to cure the breach. If the breach has not been cured 18515  
within that ninety-day period, the party that sent the notice 18516  
may sue for recovery of the money due under the agreement, sue 18517  
for specific enforcement of the agreement, or terminate the 18518

agreement upon giving notice of termination to all the other 18519  
parties. 18520

(F) In order to promote economic development or to provide 18521  
appropriate state functions and services to any part of the 18522  
state, the state may become a party to an annexation agreement 18523  
upon the approval of the director of housing and development and 18524  
with the written consent of the legislative authority of the 18525  
municipal corporation and each of the boards of township 18526  
trustees that are parties to the agreement. 18527

(G) The board of county commissioners, by resolution, or 18528  
any person, upon request, may become a party to an annexation 18529  
agreement, but only upon the approval of the legislative 18530  
authority of the municipal corporation and each of the boards of 18531  
township trustees that are parties to the agreement, except 18532  
that, if the state is a party to the agreement, the director of 18533  
housing and development is responsible for giving the approval. 18534

(H) The powers granted by this section and any annexation 18535  
agreement entered into under this section shall be liberally 18536  
construed to allow parties to these agreements to carry out the 18537  
agreements' provisions relevant to government improvements, 18538  
facilities, and services, and to promote and support economic 18539  
development and the creation and preservation of economic 18540  
opportunities. 18541

**Sec. 715.70.** (A) This section and section 715.71 of the 18542  
Revised Code apply only to: 18543

(1) Municipal corporations and townships within a county 18544  
that has adopted a charter under Sections 3 and 4 of Article X, 18545  
Ohio Constitution; 18546

(2) Municipal corporations and townships that have created 18547



a joint economic development district comprised entirely of real 18548  
property owned by a municipal corporation at the time the 18549  
district was created under this section. The real property owned 18550  
by the municipal corporation shall include an airport owned by 18551  
the municipal corporation and located entirely beyond the 18552  
municipal corporation's corporate boundary. 18553

(3) Municipal corporations or townships that are part of 18554  
or contiguous to a transportation improvement district created 18555  
under Chapter 5540. of the Revised Code and that have created a 18556  
joint economic development district under this section or 18557  
section 715.71 of the Revised Code prior to November 15, 1995; 18558

(4) Municipal corporations that have previously entered 18559  
into a contract creating a joint economic development district 18560  
pursuant to division (A) (2) of this section, even if the 18561  
territory to be included in the district does not meet the 18562  
requirements of that division. 18563

(B) (1) One or more municipal corporations and one or more 18564  
townships may enter into a contract approved by the legislative 18565  
authority of each contracting party pursuant to which they 18566  
create as a joint economic development district an area or areas 18567  
for the purpose of facilitating economic development to create 18568  
or preserve jobs and employment opportunities and to improve the 18569  
economic welfare of the people in the state and in the area of 18570  
the contracting parties. A municipal corporation described in 18571  
division (A) (4) of this section may enter into a contract with 18572  
other municipal corporations and townships to create a new joint 18573  
economic development district. In a district that includes a 18574  
municipal corporation described in division (A) (4) of this 18575  
section, the territory of each of the contracting parties shall 18576  
be contiguous to the territory of at least one other contracting 18577

party, or contiguous to the territory of a township or municipal 18578  
corporation that is contiguous to another contracting party, 18579  
even if the intervening township or municipal corporation is not 18580  
a contracting party. The area or areas of land to be included in 18581  
the district shall not include any parcel of land owned in fee 18582  
by a municipal corporation or a township or parcel of land that 18583  
is leased to a municipal corporation or a township, unless the 18584  
municipal corporation or township is a party to the contract or 18585  
unless the municipal corporation or township has given its 18586  
consent to have its parcel of land included in the district by 18587  
the adoption of a resolution. As used in this division, "parcel 18588  
of land" means any parcel of land owned by a municipal 18589  
corporation or a township for at least a six-month period within 18590  
a five-year period prior to the creation of a district, but 18591  
"parcel of land" does not include streets or public ways and 18592  
sewer, water, and other utility lines whether owned in fee or 18593  
otherwise. 18594

The district created shall be located within the territory 18595  
of one or more of the participating parties and may consist of 18596  
all or a portion of such territory. The boundaries of the 18597  
district shall be described in the contract or in an addendum to 18598  
the contract. 18599

(2) Prior to the public hearing to be held pursuant to 18600  
division (D) (2) of this section, the participating parties shall 18601  
give a copy of the proposed contract to each municipal 18602  
corporation located within one-quarter mile of the proposed 18603  
joint economic development district and not otherwise a party to 18604  
the contract, and afford the municipal corporation the 18605  
reasonable opportunity, for a period of thirty days following 18606  
receipt of the proposed contract, to make comments and 18607  
suggestions to the participating parties regarding elements 18608

contained in the proposed contract. 18609

(3) The district shall not exceed two thousand acres in 18610  
area. The territory of the district shall not completely 18611  
surround territory that is not included within the boundaries of 18612  
the district. 18613

(4) Sections 503.07 to 503.12 of the Revised Code do not 18614  
apply to territory included within a district created pursuant 18615  
to this section as long as the contract creating the district is 18616  
in effect, unless the legislative authority of each municipal 18617  
corporation and the board of township trustees of each township 18618  
included in the district consent, by ordinance or resolution, to 18619  
the application of those sections of the Revised Code. 18620

(5) Upon the execution of the contract creating the 18621  
district by the parties to the contract, a participating 18622  
municipal corporation or township included within the district 18623  
shall file a copy of the fully executed contract with the county 18624  
recorder of each county within which a party to the contract is 18625  
located, in the miscellaneous records of the county. No 18626  
annexation proceeding pursuant to Chapter 709. of the Revised 18627  
Code that proposes the annexation to, merger, or consolidation 18628  
with a municipal corporation of any unincorporated territory 18629  
within the district shall be commenced for a period of three 18630  
years after the contract is filed with the county recorder of 18631  
each county within which a party to the contract is located 18632  
unless each board of township trustees whose territory is 18633  
included, in whole or part, within the district and the 18634  
territory proposed to be annexed, merged, or consolidated adopts 18635  
a resolution consenting to the commencement of the proceeding 18636  
and a copy of the resolution is filed with the legislative 18637  
authority of each county within which a party to the contract is 18638

located or unless the contract is terminated during this period. 18639

The contract entered into between the municipal 18640  
corporations and townships pursuant to this section may provide 18641  
for the prohibition of any annexation by the participating 18642  
municipal corporations of any unincorporated territory within 18643  
the district beyond the three-year mandatory prohibition of any 18644  
annexation provided for in division (B) (5) of this section. 18645

(C) (1) After the legislative authority of a municipal 18646  
corporation and the board of township trustees have adopted an 18647  
ordinance and resolution approving a contract to create a joint 18648  
economic development district pursuant to this section, and 18649  
after a contract has been signed, the municipal corporations and 18650  
townships shall jointly file a petition with the legislative 18651  
authority of each county within which a party to the contract is 18652  
located. 18653

(a) The petition shall contain all of the following: 18654

(i) A statement that the area or areas of the district are 18655  
not greater than two thousand acres and are located within the 18656  
territory of one or more of the contracting parties; 18657

(ii) A brief summary of the services to be provided by 18658  
each party to the contract or a reference to the portion of the 18659  
contract describing those services; 18660

(iii) A description of the area or areas to be designated 18661  
as the district; 18662

(iv) The signature of a representative of each of the 18663  
contracting parties. 18664

(b) The following documents shall be filed with the 18665  
petition: 18666

(i) A signed copy of the contract, together with copies of 18667  
district maps and plans related to or part of the contract; 18668

(ii) A certified copy of the ordinances and resolutions of 18669  
the contracting parties approving the contract; 18670

(iii) A certificate from each of the contracting parties 18671  
indicating that the public hearings required by division (D) (2) 18672  
of this section have been held, the date of the hearings, and 18673  
evidence of publication of the notice of the hearings; 18674

(iv) One or more signed statements of persons who are 18675  
owners of property located in whole or in part within the area 18676  
to be designated as the district, requesting that the property 18677  
be included within the district, provided that those statements 18678  
shall represent a majority of the persons owning property 18679  
located in whole or in part within the district and persons 18680  
owning a majority of the acreage located within the district. A 18681  
signature may be withdrawn by the signer up to but not after the 18682  
time of the public hearing required by division (D) (2) of this 18683  
section. 18684

(2) The legislative authority of each county within which 18685  
a party to the contract is located shall adopt a resolution 18686  
approving the petition for the creation of the district if the 18687  
petition and other documents have been filed in accordance with 18688  
the requirements of division (C) (1) of this section. If the 18689  
petition and other documents do not substantially meet the 18690  
requirements of that division, the legislative authority of any 18691  
county within which a party to the contract is located may adopt 18692  
a resolution disapproving the petition for the creation of the 18693  
district. The legislative authority of each county within which 18694  
a party to the contract is located shall adopt a resolution 18695  
approving or disapproving the petition within thirty days after 18696

the petition was filed. If the legislative authority of each 18697  
such county does not adopt the resolution within the thirty-day 18698  
period, the petition shall be deemed approved and the contract 18699  
shall go into effect immediately after that approval or at such 18700  
other time as the contract specifies. 18701

(D) (1) The contract creating the district shall set forth 18702  
or provide for the amount or nature of the contribution of each 18703  
municipal corporation and township to the development and 18704  
operation of the district and may provide for the sharing of the 18705  
costs of the operation of and improvements for the district. The 18706  
contributions may be in any form to which the contracting 18707  
municipal corporations and townships agree and may include but 18708  
are not limited to the provision of services, money, real or 18709  
personal property, facilities, or equipment. The contract may 18710  
provide for the contracting parties to share revenue from taxes 18711  
levied on property by one or more of the contracting parties if 18712  
those revenues may lawfully be applied to that purpose under the 18713  
legislation by which those taxes are levied. The contract shall 18714  
provide for new, expanded, or additional services, facilities, 18715  
or improvements, including expanded or additional capacity for 18716  
or other enhancement of existing services, facilities, or 18717  
improvements, provided that those services, facilities, or 18718  
improvements, or expanded or additional capacity for or 18719  
enhancement of existing services, facilities, or improvements, 18720  
required herein have been provided within the two-year period 18721  
prior to the execution of the contract. 18722

(2) Before the legislative authority of a municipal 18723  
corporation or a board of township trustees passes any ordinance 18724  
or resolution approving a contract to create a joint economic 18725  
development district pursuant to this section, the legislative 18726  
authority of the municipal corporation and the board of township 18727

trustees shall each hold a public hearing concerning the joint 18728  
economic development district contract and shall provide thirty 18729  
days' public notice of the time and place of the public hearing 18730  
in a newspaper of general circulation in the municipal 18731  
corporation and the township. The board of township trustees may 18732  
provide additional notice to township residents in accordance 18733  
with section 9.03 of the Revised Code, and any additional notice 18734  
shall include the public hearing announcement; a summary of the 18735  
terms of the contract; a statement that the entire text of the 18736  
contract and district maps and plans are on file for public 18737  
examination in the office of the township fiscal officer; and 18738  
information pertaining to any tax changes that will or may occur 18739  
as a result of the contract. 18740

During the thirty-day period prior to the public hearing, 18741  
a copy of the text of the contract together with copies of 18742  
district maps and plans related to or part of the contract shall 18743  
be on file, for public examination, in the offices of the clerk 18744  
of the legislative authority of the municipal corporation and of 18745  
the township fiscal officer. The public hearing provided for in 18746  
division (D)(2) of this section shall allow for public comment 18747  
and recommendations from the public on the proposed contract. 18748  
The contracting parties may include in the contract any of those 18749  
recommendations prior to the approval of the contract. 18750

(3) Any resolution of the board of township trustees that 18751  
approves a contract that creates a joint economic development 18752  
district pursuant to this section shall be subject to a 18753  
referendum of the electors of the township. When a referendum 18754  
petition, signed by ten per cent of the number of electors in 18755  
the township who voted for the office of governor at the most 18756  
recent general election for the office of governor, is presented 18757  
to the board of township trustees within thirty days after the 18758

board of township trustees adopted the resolution, ordering that 18759  
the resolution be submitted to the electors of the township for 18760  
their approval or rejection, the board of township trustees 18761  
shall, after ten days and not later than four p.m. of the 18762  
ninetieth day before the election, certify the text of the 18763  
resolution to the board of elections. The board of elections 18764  
shall submit the resolution to the electors of the township for 18765  
their approval or rejection at the next general, primary, or 18766  
special election occurring subsequent to ninety days after the 18767  
certifying of the petition to the board of elections. 18768

(4) Upon the creation of a district under this section or 18769  
section 715.71 of the Revised Code, one of the contracting 18770  
parties shall file a copy of the following with the director of 18771  
housing and development: 18772

(a) The petition and other documents described in division 18773  
(C) (1) of this section, if the district is created under this 18774  
section; 18775

(b) The documents described in division (D) of section 18776  
715.71 of the Revised Code, if the district is created under 18777  
this section. 18778

(E) The district created by the contract shall be governed 18779  
by a board of directors that shall be established by or pursuant 18780  
to the contract. The board is a public body for the purposes of 18781  
section 121.22 of the Revised Code. The provisions of Chapter 18782  
2744. of the Revised Code apply to the board and the district. 18783  
The members of the board shall be appointed as provided in the 18784  
contract from among the elected members of the legislative 18785  
authorities and the elected chief executive officers of the 18786  
contracting parties, provided that there shall be at least two 18787  
members appointed from each of the contracting parties. 18788



(F) The contract shall enumerate the specific powers, 18789  
duties, and functions of the board of directors of a district, 18790  
and the contract shall provide for the determination of 18791  
procedures that are to govern the board of directors. The 18792  
contract may grant to the board the power to adopt a resolution 18793  
to levy an income tax within the district. The income tax shall 18794  
be used for the purposes of the district and for the purposes of 18795  
the contracting municipal corporations and townships pursuant to 18796  
the contract. The income tax may be levied in the district based 18797  
on income earned by persons working or residing within the 18798  
district and based on the net profits of businesses located in 18799  
the district. The income tax shall follow the provisions of 18800  
Chapter 718. of the Revised Code, except that a vote shall be 18801  
required by the electors residing in the district to approve the 18802  
rate of income tax. If no electors reside within the district, 18803  
then division (F) (4) of this section applies. The rate of the 18804  
income tax shall be no higher than the highest rate being levied 18805  
by a municipal corporation that is a party to the contract. 18806

(1) Within one hundred eighty days after the first meeting 18807  
of the board of directors, the board may levy an income tax, 18808  
provided that the rate of the income tax is first submitted to 18809  
and approved by the electors of the district at the succeeding 18810  
regular or primary election, or a special election called by the 18811  
board, occurring subsequent to ninety days after a certified 18812  
copy of the resolution levying the income tax and calling for 18813  
the election is filed with the board of elections. If the voters 18814  
approve the levy of the income tax, the income tax shall be in 18815  
force for the full period of the contract establishing the 18816  
district. Any increase in the rate of an income tax that was 18817  
first levied within one hundred eighty days after the first 18818  
meeting of the board of directors shall be approved by a vote of 18819

the electors of the district, shall be in force for the 18820  
remaining period of the contract establishing the district, and 18821  
shall not be subject to division (F) (2) of this section. 18822

(2) Any resolution of the board of directors levying an 18823  
income tax that is adopted subsequent to one hundred eighty days 18824  
after the first meeting of the board of directors shall be 18825  
subject to a referendum as provided in division (F) (2) of this 18826  
section. Any resolution of the board of directors levying an 18827  
income tax that is adopted subsequent to one hundred eighty days 18828  
after the first meeting of the board of directors shall be 18829  
subject to an initiative proceeding to amend or repeal the 18830  
resolution levying the income tax as provided in division (F) (2) 18831  
of this section. When a referendum petition, signed by ten per 18832  
cent of the number of electors in the district who voted for the 18833  
office of governor at the most recent general election for the 18834  
office of governor, is filed with the county auditor of each 18835  
county within which a party to the contract is located within 18836  
thirty days after the resolution is adopted by the board or when 18837  
an initiative petition, signed by ten per cent of the number of 18838  
electors in the district who voted for the office of governor at 18839  
the most recent general election for the office of governor, is 18840  
filed with the county auditor of each such county ordering that 18841  
a resolution to amend or repeal a prior resolution levying an 18842  
income tax be submitted to the electors within the district for 18843  
their approval or rejection, the county auditor of each such 18844  
county, after ten days and not later than four p.m. of the 18845  
ninetieth day before the election, shall certify the text of the 18846  
resolution to the board of elections of that county. The county 18847  
auditor of each such county shall retain the petition. The board 18848  
of elections shall submit the resolution to such electors, for 18849  
their approval or rejection, at the next general, primary, or 18850

special election occurring subsequent to ninety days after the 18851  
certifying of such petition to the board of elections. 18852

(3) Whenever a district is located in the territory of 18853  
more than one contracting party, a majority vote of the 18854  
electors, if any, in each of the several portions of the 18855  
territory of the contracting parties constituting the district 18856  
approving the levy of the tax is required before it may be 18857  
imposed pursuant to this division. 18858

(4) If there are no electors residing in the district, no 18859  
election for the approval or rejection of an income tax shall be 18860  
held pursuant to this section, provided that where no electors 18861  
reside in the district, the maximum rate of the income tax that 18862  
may be levied shall not exceed one per cent. 18863

(5) The board of directors of a district levying an income 18864  
tax shall enter into an agreement with one of the municipal 18865  
corporations that is a party to the contract to administer, 18866  
collect, and enforce the income tax on behalf of the district. 18867  
The resolution levying the income tax shall provide the same 18868  
credits, if any, to residents of the district for income taxes 18869  
paid to other such districts or municipal corporations where the 18870  
residents work, as credits provided to residents of the 18871  
municipal corporation administering the income tax. 18872

(6) (a) The board shall publish or post public notice of 18873  
any resolution adopted levying an income tax in a newspaper of 18874  
general circulation within the district once a week for two 18875  
consecutive weeks or as provided in section 7.16 of the Revised 18876  
Code, before the resolution takes effect. In districts in which 18877  
no newspaper is generally circulated, notice shall be 18878  
accomplished by posting copies in not less than five of the most 18879  
public places in the district, as determined by the board, for a 18880

period of not less than fifteen days before the effective date 18881  
of the resolution. 18882

(b) Except as otherwise specified by this division, any 18883  
referendum or initiative proceeding within a district shall be 18884  
conducted in the same manner as is required for such proceedings 18885  
within a municipal corporation pursuant to sections 731.28 to 18886  
731.40 of the Revised Code. 18887

(G) Membership on the board of directors does not 18888  
constitute the holding of a public office or employment within 18889  
the meaning of any section of the Revised Code or any charter 18890  
provision prohibiting the holding of other public office or 18891  
employment, and shall not constitute an interest, either direct 18892  
or indirect, in a contract or expenditure of money by any 18893  
municipal corporation, township, county, or other political 18894  
subdivision with which the member may be connected. No member of 18895  
a board of directors shall be disqualified from holding any 18896  
public office or employment, nor shall such member forfeit or be 18897  
disqualified from holding any such office or employment, by 18898  
reason of the member's membership on the board of directors, 18899  
notwithstanding any law or charter provision to the contrary. 18900

(H) The powers and authorizations granted pursuant to this 18901  
section or section 715.71 of the Revised Code are in addition to 18902  
and not in derogation of all other powers granted to municipal 18903  
corporations and townships pursuant to law. When exercising a 18904  
power or performing a function or duty under a contract 18905  
authorized pursuant to this section or section 715.71 of the 18906  
Revised Code, a municipal corporation may exercise all of the 18907  
powers of a municipal corporation, and may perform all the 18908  
functions and duties of a municipal corporation, within the 18909  
district, pursuant to and to the extent consistent with the 18910

contract. When exercising a power or performing a function or 18911  
duty under a contract authorized pursuant to this section or 18912  
section 715.71 of the Revised Code, a township may exercise all 18913  
of the powers of a township, and may perform all the functions 18914  
and duties of a township, within the district, pursuant to and 18915  
to the extent consistent with the contract. The district board 18916  
of directors has no powers except those specifically set forth 18917  
in the contract as agreed to by the participating parties. No 18918  
political subdivision shall authorize or grant any tax exemption 18919  
pursuant to Chapter 1728. or section 3735.67, 5709.62, 5709.63, 18920  
or 5709.632 of the Revised Code on any property located within 18921  
the district without the consent of the contracting parties. The 18922  
prohibition for any tax exemption pursuant to this division 18923  
shall not apply to any exemption filed, pending, or approved, or 18924  
for which an agreement has been entered into, before the 18925  
effective date of the contract entered into by the parties. 18926

(I) Municipal corporations and townships may enter into 18927  
binding agreements pursuant to a contract authorized under this 18928  
section or section 715.71 of the Revised Code with respect to 18929  
the substance and administration of zoning and other land use 18930  
regulations, building codes, public permanent improvements, and 18931  
other regulatory and proprietary matters that are determined, 18932  
pursuant to the contract, to be for a public purpose and to be 18933  
desirable with respect to the operation of the district or to 18934  
facilitate new or expanded economic development in the state or 18935  
the district, provided that no contract shall exempt the 18936  
territory within the district from the procedures and processes 18937  
of land use regulation applicable pursuant to municipal 18938  
corporation, township, and county regulations, including but not 18939  
limited to procedures and processes concerning zoning. 18940

(J) A contract creating a joint economic development 18941

district under this section or section 715.71 of the Revised 18942  
Code may designate property as a community entertainment 18943  
district or may be amended to designate property as a community 18944  
entertainment district as prescribed in division (D) of section 18945  
4301.80 of the Revised Code. A joint economic development 18946  
district contract or amendment designating a community 18947  
entertainment district shall include all information and 18948  
documentation described in divisions (B)(1) through (6) of 18949  
section 4301.80 of the Revised Code. The public notice required 18950  
under division (D)(2) of this section and division (C) of 18951  
section 715.71 of the Revised Code shall specify that the 18952  
contract designates a community entertainment district and 18953  
describe the location of that district. Except as provided in 18954  
division (F) of section 4301.80 of the Revised Code, an area 18955  
designated as a community entertainment district under a joint 18956  
economic development district contract shall not lose its 18957  
designation even if the contract is canceled or terminated. 18958

(K) A contract entered into pursuant to this section or 18959  
section 715.71 of the Revised Code may be amended and it may be 18960  
renewed, canceled, or terminated as provided in or pursuant to 18961  
the contract. The contract may be amended to add property owned 18962  
by one of the contracting parties to the district, or may be 18963  
amended to delete property from the district whether or not one 18964  
of the contracting parties owns the deleted property. The 18965  
contract shall continue in existence throughout its term and 18966  
shall be binding on the contracting parties and on any entities 18967  
succeeding to such parties, whether by annexation, merger, or 18968  
otherwise. The income tax levied by the board pursuant to this 18969  
section or section 715.71 of the Revised Code shall apply in the 18970  
entire district throughout the term of the contract, 18971  
notwithstanding that all or a portion of the district becomes 18972

subject to annexation, merger, or incorporation. No township or 18973  
municipal corporation is divested of its rights or obligations 18974  
under the contract because of annexation, merger, or succession 18975  
of interests. 18976

(L) After the creation of a joint economic development 18977  
district described in division (A) (2) of this section, a 18978  
municipal corporation that is a contracting party may cease to 18979  
own property included in the district, but such property shall 18980  
continue to be included in the district and subject to the terms 18981  
of the contract. 18982

**Sec. 715.72.** (A) As used in this section: 18983

(1) "Contracting parties" means one or more municipal 18984  
corporations, one or more townships, and, under division (D) of 18985  
this section, one or more counties that have entered into a 18986  
contract under this section to create a joint economic 18987  
development district. 18988

(2) "District" means a joint economic development district 18989  
created under this section. 18990

(3) "Contract for utility services" means a contract under 18991  
which a municipal corporation agrees to provide to a township or 18992  
another municipal corporation water, sewer, electric, or other 18993  
utility services necessary to the public health, safety, and 18994  
welfare. 18995

(4) "Business" means a sole proprietorship, a corporation 18996  
for profit, a pass-through entity as defined in section 5733.04 18997  
of the Revised Code, the federal government, the state, the 18998  
state's political subdivisions, a nonprofit organization, or a 18999  
school district. 19000

(5) "Owner" means a partner of a partnership, a member of 19001

a limited liability company, a majority shareholder of an S 19002  
corporation, a person with a majority ownership interest in a 19003  
pass-through entity, or any officer, employee, or agent with 19004  
authority to make decisions legally binding upon a business. 19005

(6) "Record owner" means the person or persons in whose 19006  
name a parcel is listed on the tax list or exempt list compiled 19007  
by the county auditor under section 319.28 or 5713.08 of the 19008  
Revised Code. 19009

(7) A business "operates within" a district if the net 19010  
profits of the business or the income of employees of the 19011  
business would be subject to an income tax levied within the 19012  
district. 19013

(8) An employee is "employed within" a district if any 19014  
portion of the employee's income would be subject to an income 19015  
tax levied within the district. 19016

(9) "Mixed-use development" means a real estate project 19017  
that tends to mitigate traffic and sprawl by integrating some 19018  
combination of retail, office, residential, hotel, recreation, 19019  
and other functions in a pedestrian-oriented environment that 19020  
maximizes the use of available space by allowing members of the 19021  
community to live, work, and play in one architecturally 19022  
expressive area with multiple amenities. 19023

(10) "Water or sewer service plan or agreement" means 19024  
either of the following: 19025

(a) A state water quality management plan adopted by the 19026  
Ohio environmental protection agency or another authorized 19027  
planning agency pursuant to 33 U.S.C. 1288 and 1313 that 19028  
contemplates that a non-contracting municipal corporation will 19029  
provide sanitary sewer disposal services to an area within a 19030



proposed joint economic development district; 19031

(b) A binding agreement between a municipal corporation 19032  
and a third-party water or sanitary sewer services provider, 19033  
including another municipal corporation or other public or 19034  
private provider, that provides that a non-contracting municipal 19035  
corporation or another provider that is not a contracting party 19036  
will provide water or sanitary sewer services to an area within 19037  
a proposed joint economic development district. 19038

(11) "Non-contracting municipal corporation" means a 19039  
municipal corporation that is not a contracting party. 19040

(B) This section provides alternative procedures and 19041  
requirements to those set forth in sections 715.70 and 715.71 of 19042  
the Revised Code for creating and operating a joint economic 19043  
development district. ~~This section applies to municipal~~ 19044  
~~corporations and townships that are located in the same county~~ 19045  
~~or in adjacent counties.~~ 19046

(C) One or more municipal corporations, one or more 19047  
townships, and, under division (D) of this section, one or more 19048  
counties may enter into a contract pursuant to which they 19049  
designate one or more areas as a joint economic development 19050  
district for the purpose of facilitating economic development 19051  
and redevelopment, to create or preserve jobs and employment 19052  
opportunities, and to improve the economic welfare of the people 19053  
in this state and in the area of the contracting parties. 19054

(1) All or part of the territory of a contracting party 19055  
that is a municipal corporation or a township shall be located 19056  
in a county that includes all or part of the territory of at 19057  
least one other contracting party or in a county adjacent to 19058  
such a county. Except as otherwise provided in division (C) (2) 19059

of this section, the territory of each of the contracting 19060  
parties shall be contiguous to, or overlap with, the territory 19061  
of at least one other contracting party, or contiguous to, or 19062  
overlap with, the territory of a non-contracting township, or 19063  
municipal corporation, ~~or county that the territory of which is~~ 19064  
contiguous to ~~another,~~ or overlaps with, the territory of at 19065  
least one other contracting party, ~~even if the intervening~~ 19066  
~~township or municipal corporation is not a contracting party.~~ 19067

(2) Contracting parties that have entered into a contract 19068  
under section 715.70 or 715.71 of the Revised Code creating a 19069  
joint economic development district prior to November 15, 1995, 19070  
may enter into a contract under this section even if the 19071  
territory of each of the contracting parties is not contiguous 19072  
to the territory of at least one other contracting party, or 19073  
contiguous to the territory of a township or municipal 19074  
corporation that is contiguous to another contracting party as 19075  
otherwise required under division (C)(1) of this section. The 19076  
contract and district shall meet the requirements of this 19077  
section. 19078

(D) If, on or after December 30, 2008, but on or before 19079  
June 30, 2009, one or more municipal corporations and one or 19080  
more townships enter into a contract or amend an existing 19081  
contract under this section, one or more counties in which all 19082  
of those municipal corporations or townships are located also 19083  
may enter into the contract as a contracting party or parties. 19084

(E) (1) The area or areas to be included in a joint 19085  
economic development district shall meet all of the following 19086  
criteria: 19087

(a) The area or areas shall be located within the 19088  
territory of one or more of the contracting parties and may 19089

consist of all of the territory of any or all of the contracting parties. 19090  
19091

(b) No electors, except those residing in a mixed-use development, shall reside within the area or areas on the effective date of the contract creating the district. 19092  
19093  
19094

(c) The area or areas shall not include any parcel of land owned in fee by or leased to a municipal corporation or township, unless the municipal corporation or township is a contracting party or has given its consent to have the parcel of land included in the district by the adoption of an ordinance or resolution. 19095  
19096  
19097  
19098  
19099  
19100

(d) The area or areas shall not include any parcel of land excluded pursuant to division (J) (2) of this section. 19101  
19102

(2) The contracting parties may designate excluded parcels within the boundaries of the joint economic development district. Excluded parcels are not part of the district and persons employed or residing on such parcels shall not be subject to any income tax imposed within the district under division (F) (5) of this section. 19103  
19104  
19105  
19106  
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19108

(F) (1) The contract creating a joint economic development district shall provide for the amount or nature of the contribution of each contracting party to the development and operation of the district and may provide for the sharing of the costs of the operation of and improvements for the district. The contributions may be in any form to which the contracting parties agree and may include, but are not limited to, the provision of services, money, real or personal property, facilities, or equipment. 19109  
19110  
19111  
19112  
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(2) The contract may provide for the contracting parties 19118

to share revenue from taxes levied by one or more of the 19119  
contracting parties if those revenues may lawfully be applied to 19120  
that purpose under the legislation by which those taxes are 19121  
levied. 19122

(3) The contract shall include an economic development 19123  
plan for the district that consists of a schedule for the 19124  
provision of new, expanded, or additional services, facilities, 19125  
or improvements. The contract may provide for expanded or 19126  
additional capacity for or other enhancement of existing 19127  
services, facilities, or improvements. 19128

(4) The contract shall enumerate the specific powers, 19129  
duties, and functions of the board of directors of the district 19130  
described under division (P) of this section and shall designate 19131  
procedures consistent with that division for appointing members 19132  
to the board. The contract shall enumerate rules to govern the 19133  
board in carrying out its business under this section. 19134

(5) (a) The contract may grant to the board the power to 19135  
adopt a resolution to levy an income tax within the entire 19136  
district or within portions of the district designated by the 19137  
contract. The income tax shall be used to carry out the economic 19138  
development plan for the district or the portion of the district 19139  
in which the tax is levied and for any other lawful purpose of 19140  
the contracting parties pursuant to the contract, including the 19141  
provision of utility services by one or more of the contracting 19142  
parties. 19143

(b) An income tax levied under this section shall be based 19144  
on both the income earned by persons employed or residing within 19145  
the district and the net profit of businesses operating within 19146  
the district. 19147

Except as provided in this section, the income tax levied 19148  
within the district is subject to Chapter 718. of the Revised 19149  
Code, except that no vote shall be required. The rate of the 19150  
income tax shall be no higher than the highest rate being levied 19151  
by a municipal corporation that is a contracting party. 19152

(c) If the board adopts a resolution to levy an income 19153  
tax, it shall enter into an agreement with a municipal 19154  
corporation that is a contracting party to administer, collect, 19155  
and enforce the income tax on behalf of the district. 19156

(d) A resolution levying an income tax under this section 19157  
shall require the contracting parties to annually set aside a 19158  
percentage, to be stated in the resolution, of the amount of the 19159  
income tax collected for the long-term maintenance of the 19160  
district. 19161

(e) An income tax levied under this section shall apply in 19162  
the district or the portion of the district in which the 19163  
contract authorizes an income tax throughout the term of the 19164  
contract creating the district. The tax shall not apply to any 19165  
persons employed or residing on a parcel excluded from the 19166  
district under division (E) (2) of this section. 19167

(6) If there is unincorporated territory in the district, 19168  
the contract shall specify that restrictions on annexation 19169  
proceedings under division (R) of this section apply to such 19170  
unincorporated territory. The contract may prohibit proceedings 19171  
under Chapter 709. of the Revised Code proposing the annexation 19172  
to, merger of, or consolidation with a municipal corporation 19173  
that is a contracting party of any unincorporated territory 19174  
within a township that is a contracting party during the term of 19175  
the contract regardless of whether that territory is located 19176  
within the district. 19177

(7) The contract may designate property as a community 19178  
entertainment district, or may be amended to designate property 19179  
as a community entertainment district, as prescribed in division 19180  
(D) of section 4301.80 of the Revised Code. A contract or 19181  
amendment designating a community entertainment district shall 19182  
include all information and documentation described in divisions 19183  
(B) (1) to (6) of section 4301.80 of the Revised Code. The public 19184  
notice required under division (I) of this section shall specify 19185  
that the contract designates a community entertainment district 19186  
and describe the location of that district. Except as provided 19187  
in division (F) of section 4301.80 of the Revised Code, an area 19188  
designated as a community entertainment district under a joint 19189  
economic development district contract shall not lose its 19190  
designation even if the contract is canceled or terminated. 19191

(8) If any part of the district is located either within 19192  
one-half of one mile of a non-contracting municipal corporation 19193  
or within an area covered by or subject to a water or sewer 19194  
service plan or agreement, the contract shall include all of the 19195  
following: 19196

(a) A preliminary estimate of the costs of providing 19197  
public utility services, facilities, and improvements to the 19198  
district, prepared by a professional engineer; 19199

(b) An analysis of the anticipated sources for funding the 19200  
costs of the public utilities infrastructure needed to serve the 19201  
district and a projection of when such funds will be available 19202  
and when such costs are likely to be incurred; 19203

(c) Evidence or estimates indicating that the construction 19204  
of the public utility infrastructure needed to serve at least 19205  
some portion of the district will be completed within five years 19206  
after the creation of the district. 19207

(G) The contract creating a joint economic development district shall continue in existence throughout its term and shall be binding on the contracting parties and on any parties succeeding to the contracting parties, whether by annexation, merger, or consolidation. Except as provided in division (H) of this section, the contract may be amended, renewed, or terminated with the approval of the contracting parties or any parties succeeding to the contracting parties. If the contract is amended to add or remove an area to or from an existing district, the amendment shall be adopted in the manner prescribed under division (L) of this section.

(H) If two or more contracting parties previously have entered into a separate contract for utility services, then amendment, renewal, or termination of the separate contract for utility services shall not constitute any part of the consideration for the contract creating a joint economic development district. A contract creating a joint economic development district shall be rebuttably presumed to violate this division if it is entered into within two years prior or five years subsequent to the amendment, renewal, or termination of a separate contract for utility services that two or more contracting parties previously have entered into. The presumption stated in this division may be rebutted by clear and convincing evidence of both of the following:

(1) That other substantial consideration existed to support the contract creating a joint economic development district;

(2) That the contracting parties entered into the contract creating a joint economic development district freely and without duress or coercion related to the amendment, renewal, or

termination of the separate contract for utility services. 19238

A contract creating a joint economic development district 19239  
that violates this division is void and unenforceable. 19240

(I) (1) Before the legislative authority of any of the 19241  
contracting parties adopts an ordinance or resolution approving 19242  
a contract to create a district, the legislative authority of 19243  
each of the contracting parties shall hold a public hearing 19244  
concerning the contract and district. Each legislative authority 19245  
shall provide at least thirty days' public notice of the time 19246  
and place of the public hearing in a newspaper of general 19247  
circulation in the municipal corporation, township, or county, 19248  
as applicable. During the thirty-day period prior to the public 19249  
hearing and until the date that an ordinance or resolution is 19250  
adopted under division (K) of this section to approve the joint 19251  
economic development district contract, all of the following 19252  
documents shall be available for public inspection in the office 19253  
of the clerk of the legislative authority of a municipal 19254  
corporation and county that is a contracting party and in the 19255  
office of the fiscal officer of a township that is a contracting 19256  
party: 19257

(a) A copy of the contract creating the district, 19258  
including the economic development plan for the district and the 19259  
schedule for the provision of new, expanded, or additional 19260  
services, facilities, or improvements described in division (F) 19261  
(3) of this section; 19262

(b) A description of the area or areas to be included in 19263  
the district, including a map in sufficient detail to denote the 19264  
specific boundaries of the area or areas and to indicate any 19265  
zoning restrictions applicable to the area or areas, and the 19266  
parcel number, provided for under section 319.28 of the Revised 19267



Code, of any parcel located within the boundaries of the joint 19268  
economic development district and excluded from the district 19269  
under division (E) (2) of this section; 19270

(c) If the contract authorizes the board of directors of 19271  
the district to adopt a resolution to levy an income tax within 19272  
the district or within portions of the district, a schedule for 19273  
the collection of the tax. 19274

(2) At least thirty days before the first public hearing 19275  
is to be held by one or more legislative authorities on a 19276  
proposed district, notice shall be sent in writing to each non- 19277  
contracting municipal corporation that is located within one- 19278  
half of one mile of the proposed district or that is identified 19279  
in a water or sewer service plan or agreement as a future 19280  
provider of water or sewer services to all or part of the 19281  
proposed district. 19282

(3) A public hearing held under this division shall allow 19283  
for public comment and recommendations on the contract and 19284  
district. The contracting parties may include in the contract 19285  
any of those recommendations prior to approval of the contract. 19286

(J) (1) Before any of the contracting parties approves a 19287  
contract under division (K) of this section, the contracting 19288  
parties shall circulate one or more petitions to record owners 19289  
of real property located within the proposed joint economic 19290  
development district and owners of businesses operating within 19291  
the proposed district. The petitions shall state that all of the 19292  
documents described in divisions (I) (1) (a) to (c) of this 19293  
section are available for public inspection in the office of the 19294  
clerk of the legislative authority of each municipal corporation 19295  
and county that is a contracting party or the office of the 19296  
fiscal officer of each township that is a contracting party. The 19297

petitions shall clearly indicate that, by signing the petition, 19298  
the record owner or owner consents to the proposed joint 19299  
economic development district. 19300

A contracting party may send written notice of the 19301  
petitions by certified mail with return receipt requested to the 19302  
last known mailing addresses of any or all of the record owners 19303  
of real property located within the proposed district or the 19304  
owners of businesses operating within the proposed district. The 19305  
contracting parties shall equally share the costs of complying 19306  
with this division. 19307

(2) If any portion of property located within the proposed 19308  
joint economic development district is also either located 19309  
within one-half of one mile of a non-contracting municipal 19310  
corporation or covered by or subject to a water or sewer service 19311  
plan or agreement under which a non-contracting municipal 19312  
corporation is identified as a future provider of water or sewer 19313  
services to all or part of the proposed district, then that 19314  
property and any property contiguous to that property if owned 19315  
by the same person shall be excluded from the joint economic 19316  
development district unless the owner of the property signs the 19317  
petition. 19318

(K) (1) After the public hearings required under division 19319  
(I) of this section have been held and the petitions described 19320  
in division (J) of this section have been signed by the majority 19321  
of the record owners of real property located within the 19322  
proposed joint economic development district and by a majority 19323  
of the owners of businesses, if any, operating within the 19324  
proposed district, each contracting party may adopt an ordinance 19325  
or resolution approving the contract to create a joint economic 19326  
development district. Not later than ten days after all of the 19327

contracting parties have adopted ordinances or resolutions 19328  
approving the district contract, each contracting party shall 19329  
give notice of the proposed district to all of the following: 19330

(a) Each record owner of real property to be included in 19331  
the district and in the territory of that contracting party who 19332  
did not sign the petitions described in division (J) of this 19333  
section; 19334

(b) An owner of each business operating within the 19335  
district and in the territory of that contracting party no owner 19336  
of which signed the petitions described in division (J) of this 19337  
section. 19338

(2) Such notices shall be given by certified mail and 19339  
shall specify that the property or business is located within an 19340  
area to be included in the district and that all of the 19341  
documents described in divisions (I) (1) (a) to (c) of this 19342  
section are available for public inspection in the office of the 19343  
clerk of the legislative authority of each municipal corporation 19344  
and county that is a contracting party or the office of the 19345  
fiscal officer of each township that is a contracting party. The 19346  
contracting parties shall equally share the costs of complying 19347  
with division (K) of this section. 19348

(L) (1) The contracting parties may amend the joint 19349  
economic development district contract to add any area that was 19350  
not originally included in the district if the area satisfies 19351  
the criteria prescribed under division (E) of this section. The 19352  
contracting parties may also amend the district contract to 19353  
remove any area originally included in the district or exclude 19354  
one or more parcels located within the district pursuant to 19355  
division (E) (2) of this section. 19356

(2) An amendment adding an area to a district, removing an area from the district, or excluding one or more parcels from the district may be approved only by a resolution or ordinance adopted by each of the contracting parties. The contracting parties shall conduct public hearings on the amendment and provide notice in the manner required under division (I) of this section for original contracts. The contracting parties shall make available for public inspection a copy of the amendment, a description of the area to be added, removed, or excluded to or from the district, and a map of that area in sufficient detail to denote the specific boundaries of the area and to indicate any zoning restrictions applicable to the area.

(3) Before adopting a resolution or ordinance approving the addition of an area to the district, the contracting parties shall circulate petitions to the record owners of real property located within the proposed addition to the district and owners of businesses operating within the proposed addition to the district in the same manner required under division (J) of this section for original contracts. The contracting parties may notify such record owners of real property and owners of businesses that the petitions are available for signing in the same manner provided by that division. The contracting parties shall equally share the costs of complying with this division.

(4) The contracting parties to a joint economic development district may vote to approve an amendment to the district contract under this division after the public hearings required under division (L)(2) of this section are completed and, if the amendment adds an area or areas to the district, the petitions required under division (L)(3) of this section have been signed by the majority of record owners of real property located within the area or areas added to the district and by a

majority of the owners of businesses, if any, operating within 19388  
the proposed addition to the district. 19389

(5) Not later than ten days after all of the contracting 19390  
parties have adopted ordinances or resolutions approving an 19391  
amendment adding one or more areas to the district, each 19392  
contracting party shall give notice of the addition to all of 19393  
the following: 19394

(a) Each record owner of real property to be included in 19395  
the addition to the district and in the territory of that 19396  
contracting party who did not sign the petitions described in 19397  
division (L) (3) of this section; 19398

(b) An owner of each business operating within the 19399  
addition to the district and in the territory of that 19400  
contracting party no owner of which signed the petitions 19401  
described in division (L) (3) of this section. 19402

The contracting parties shall equally share the costs of 19403  
complying with division (L) (5) of this section. 19404

(M) (1) A board of township trustees that is a party to a 19405  
contract creating a joint economic development district may 19406  
choose not to submit its resolution approving the contract to 19407  
the electors of the township if all of the following conditions 19408  
are satisfied: 19409

(a) The resolution has been approved by a unanimous vote 19410  
of the members of the board of township trustees or, if a county 19411  
is one of the contracting parties under division (D) of this 19412  
section, the resolution has been approved by a majority vote of 19413  
the members of the board of township trustees; 19414

(b) The contracting parties have circulated petitions as 19415  
required under division (J) of this section and obtained the 19416

signatures required under division (L) of this section; 19417

(c) The territory to be included in the proposed district 19418  
is zoned in a manner appropriate to the function of the 19419  
district. 19420

(2) If the board of township trustees has not invoked its 19421  
authority under division (M) (1) of this section, the board, at 19422  
least ninety days before the date of the election, shall file 19423  
its resolution approving the district contract with the board of 19424  
elections for submission to the electors of the township for 19425  
approval at the next succeeding general, primary, or special 19426  
election. 19427

(3) Any contract creating a district in which a board of 19428  
township trustees is a party shall provide that the contract is 19429  
not effective before the thirty-first day after its approval, 19430  
including approval by the electors of the township if required 19431  
by this section. 19432

(4) If the board of township trustees invokes its 19433  
authority under division (M) (1) of this section and does not 19434  
submit the district contract to the electors for approval, the 19435  
resolution of the board of township trustees approving the 19436  
contract is subject to a referendum of the electors of the 19437  
township when requested through a petition. When signed by ten 19438  
per cent of the number of electors in the township who voted for 19439  
the office of governor at the most recent general election, a 19440  
referendum petition asking that the resolution be submitted to 19441  
the electors of the township may be presented to the board of 19442  
township trustees. Such a petition shall be presented within 19443  
thirty days after the board of township trustees adopts the 19444  
resolution approving the district contract. The board of 19445  
township trustees shall, not later than four p.m. of the tenth 19446

day after receipt of the petition, certify the text of the 19447  
resolution to the board of elections. The board of elections 19448  
shall submit the resolution to the electors of the township for 19449  
their approval or rejection at the next general, primary, or 19450  
special election occurring at least ninety days after 19451  
certification of the resolution. 19452

(N) The ballot respecting a resolution to create a 19453  
district or a referendum of such a resolution shall be in the 19454  
following form: 19455

"Shall the resolution of the board of township trustees 19456  
approving the contract with ..... (here insert name of 19457  
every other contracting party) for the creation of a joint 19458  
economic development district be approved? 19459

FOR THE RESOLUTION AND CONTRACT 19460

AGAINST THE RESOLUTION AND CONTRACT" 19461

If a majority of the electors of the township voting on 19462  
the issue vote for the resolution and contract, the resolution 19463  
shall become effective immediately and the contract shall go 19464  
into effect on the thirty-first day after the election or 19465  
thereafter in accordance with terms of the contract. 19466

(O) Upon the creation of a district under this section, 19467  
one of the contracting parties shall file a copy of each of the 19468  
following documents with the director of housing and 19469  
development: 19470

(1) All of the documents described in divisions (I) (1) (a) 19471  
to (c) of this section; 19472

(2) Certified copies of the ordinances and resolutions of 19473  
the contracting parties relating to the contract and district; 19474

(3) Documentation from each contracting party that the public hearings required by division (I) of this section have been held, the date of the hearings, and evidence that notice of the hearings was published as required by that division;

(4) A copy of the signed petitions required under divisions (J) and (K) of this section.

(P) A board of directors shall govern each district created under this section.

(1) If there are businesses operating and persons employed within the district, the board shall be composed of the following members:

(a) One member representing the municipal corporations that are contracting parties;

(b) One member representing the townships that are contracting parties;

(c) One member representing the owners of businesses operating within the district;

(d) One member representing the persons employed within the district;

(e) One member representing the counties that are contracting parties, or, if no contracting party is a county, one member selected by the members described in divisions (P) (1) (a) to (d) of this section.

The members of the board shall be appointed as provided in the district contract. Of the members initially appointed to the board, the member described in division (P) (1) (a) of this section shall serve a term of one year; the member described in division (P) (1) (b) of this section shall serve a term of two



years; the member described in division (P) (1) (c) of this 19503  
section shall serve a term of three years; and the members 19504  
described in divisions (P) (1) (d) and (e) of this section shall 19505  
serve terms of four years. Thereafter, terms for each member 19506  
shall be for four years, each term ending on the same day of the 19507  
same month of the year as did the term that it succeeds. A 19508  
member may be reappointed to the board, but no member shall 19509  
serve more than two consecutive terms on the board. 19510

The member described in division (P) (1) (e) of this section 19511  
shall serve as chairperson of the board described under division 19512  
(P) (1) of this section. 19513

(2) If there are no businesses operating or persons 19514  
employed within the district, the board shall be composed of the 19515  
following members: 19516

(a) One member representing the municipal corporations 19517  
that are contracting parties; 19518

(b) One member representing the townships that are 19519  
contracting parties; 19520

(c) One member representing the counties that are 19521  
contracting parties, or if no contracting party is a county, one 19522  
member selected by the members described in divisions (P) (2) (a) 19523  
and (b) of this section. 19524

The members of the board shall be appointed as provided in 19525  
the district contract. Of the members initially appointed to the 19526  
board, the member described in division (P) (2) (a) of this 19527  
section shall serve a term of one year; the member described in 19528  
division (P) (2) (b) of this section shall serve a term of two 19529  
years; and the member described in division (P) (2) (c) of this 19530  
section shall serve a term of three years. Thereafter, terms for 19531

each member shall be for four years, each term ending on the 19532  
same day of the same month of the year as did the term that it 19533  
succeeds. A member may be reappointed to the board, but no 19534  
member shall serve more than two consecutive terms on the board. 19535

The member described in division (P) (2) (c) of this section 19536  
shall serve as chairperson of a board described under division 19537  
(P) (2) of this section. 19538

(3) A board described under division (P) (1) or (2) of this 19539  
section has no powers except as described in this section and in 19540  
the contract creating the district. 19541

(4) Membership on the board of directors of a joint 19542  
economic development district created under this section is not 19543  
the holding of a public office or employment within the meaning 19544  
of any section of the Revised Code prohibiting the holding of 19545  
other public office or employment. Membership on such a board is 19546  
not a direct or indirect interest in a contract or expenditure 19547  
of money by a municipal corporation, township, county, or other 19548  
political subdivision with which a member may be affiliated. 19549  
Notwithstanding any provision of law to the contrary, no member 19550  
of a board of directors of a joint economic development district 19551  
shall forfeit or be disqualified from holding any public office 19552  
or employment by reason of membership on the board. 19553

(5) The board of directors of a joint economic development 19554  
district is a public body for the purposes of section 121.22 of 19555  
the Revised Code. Chapter 2744. of the Revised Code applies to 19556  
such a board and the district. 19557

(Q) (1) On or before the date occurring six months after 19558  
the effective date of the district contract, an owner of a 19559  
business operating within the district may, on behalf of the 19560

business and its employees, file a complaint with the court of 19561  
common pleas of the county in which the majority of the 19562  
territory of the district is located requesting exemption from 19563  
any income tax imposed by the board of directors of the district 19564  
under division (F) (5) of this section if all of the following 19565  
apply: 19566

(a) The business operated within an unincorporated area of 19567  
the district before the effective date of the district contract; 19568

(b) No owner of the business signed a petition described 19569  
in division (J) of this section; 19570

(c) Neither the business nor its employees has derived or 19571  
will derive any material benefit from the new, expanded, or 19572  
additional services, facilities, or improvements described in 19573  
the economic development plan for the district, or the material 19574  
benefit that has, or will be, derived is negligible in 19575  
comparison to the income tax revenue generated from the net 19576  
profits of the business and the income of employees of the 19577  
business. 19578

The legislative authority of each contracting party shall 19579  
be made a party to the proceedings and the business owner filing 19580  
the complaint shall serve notice of the complaint by certified 19581  
mail to each such contracting party. The court shall not accept 19582  
any complaint filed more than six months after the effective 19583  
date of the district contract. 19584

(2) Any or all of the contracting parties may submit a 19585  
written answer to the complaint submitted under division (Q) (1) 19586  
of this section to the court within thirty days after notice of 19587  
the complaint was served upon them. Such a contracting party 19588  
shall submit to the court, along with the answer, documentation 19589

sufficient to prove that the contracting party sent copies of 19590  
the answer to the owner of the business who filed the complaint. 19591

(3) The court shall review each complaint submitted by a 19592  
business owner under division (Q)(1) of this section and each 19593  
answer submitted by a contracting party under division (Q)(2) of 19594  
this section. The court may make a determination on the record 19595  
and the evidence thus submitted, or it may conduct a hearing and 19596  
request the presence of the business owner and the contracting 19597  
parties to present evidence relevant to the complaint. The court 19598  
shall make a determination on the complaint not sooner than 19599  
thirty days but not later than sixty days after the complaint is 19600  
filed by the business owner. The court may make a determination 19601  
more than sixty days after the complaint is filed if the 19602  
business owner and all contracting parties to the district 19603  
consent. 19604

(4) The court shall grant the exemption requested in the 19605  
complaint if all of the criteria described in divisions (Q)(1) 19606  
(a) to (c) of this section are met. 19607

(5) If all the criteria described in divisions (Q)(1)(a) 19608  
to (c) of this section are not met, the court shall deny the 19609  
complaint and the exemption. 19610

(6) The court shall send notice of the determination with 19611  
respect to the complaint to the owner of the business and each 19612  
contracting party. If the court grants the exemption, the net 19613  
profits of the business from operations within the district and 19614  
the income of its employees from employment within the district 19615  
are exempt from any income tax imposed by the board of directors 19616  
of the district. If the court denies the exemption, the net 19617  
profits of the business and the income of its employees shall be 19618  
taxed according to the terms of the district contract and any 19619

taxes, penalties, and interest accrued before the date of the 19620  
court's determination shall be paid in full. In addition, no 19621  
owner of the business may submit another complaint under 19622  
division (Q) (1) of this section for the same district contract. 19623  
The court's determination on a complaint filed under division 19624  
(Q) of this section is final. 19625

(7) Chapter 2506. of the Revised Code does not apply to 19626  
the proceedings described in division (Q) of this section. 19627

(R) (1) No proceeding pursuant to Chapter 709. of the 19628  
Revised Code that proposes the annexation to, merger of, or 19629  
consolidation with a municipal corporation of any unincorporated 19630  
territory within a joint economic development district may be 19631  
commenced at any time between the effective date of the contract 19632  
creating the district and the date the contract expires, 19633  
terminates, or is otherwise rendered unenforceable. This 19634  
division does not apply if each board of township trustees whose 19635  
territory is included within the district and whose territory is 19636  
proposed to be annexed, merged, or consolidated adopts a 19637  
resolution consenting to the commencement of the proceeding. 19638  
Each such board of township trustees shall file a copy of the 19639  
resolution with the clerk of the legislative authority of each 19640  
county within which a contracting party is located. 19641

(2) The contract creating a joint economic development 19642  
district may prohibit any annexation proceeding by a contracting 19643  
municipal corporation of any unincorporated territory within the 19644  
district or zone beyond the period described in division (R) (1) 19645  
of this section. 19646

(3) No contracting party is divested or relieved of its 19647  
rights or obligations under the contract creating a joint 19648  
economic development district because of annexation, merger, or 19649

consolidation. 19650

(S) Contracting parties may enter into agreements pursuant 19651  
to the contract creating a joint economic development district 19652  
with respect to the substance and administration of zoning and 19653  
other land use regulations, building codes, permanent public 19654  
improvements, and other regulatory and proprietary matters 19655  
determined to be for a public purpose. No contract, however, 19656  
shall exempt the territory within the district from the 19657  
procedures of land use regulation applicable pursuant to 19658  
municipal corporation, township, and county regulations, 19659  
including, but not limited to, zoning procedures. 19660

(T) The powers granted under this section are in addition 19661  
to and not in the derogation of all other powers possessed by or 19662  
granted to municipal corporations, townships, and counties 19663  
pursuant to law. 19664

(1) When exercising a power or performing a function or 19665  
duty under a contract entered into under this section, a 19666  
municipal corporation may exercise all the powers of a municipal 19667  
corporation, and may perform all the functions and duties of a 19668  
municipal corporation, within the district, pursuant to and to 19669  
the extent consistent with the contract. 19670

(2) When exercising a power or performing a function or 19671  
duty under a contract entered into under division (D) of this 19672  
section, a county may exercise all of the powers of a county, 19673  
and may perform all the functions and duties of a county, within 19674  
the district pursuant to and to the extent consistent with the 19675  
contract. 19676

(3) When exercising a power or performing a function or 19677  
duty under a contract entered into under this section, a 19678

township may exercise all the powers of a township, and may 19679  
perform all the functions and duties of a township, within the 19680  
district, pursuant to and to the extent consistent with the 19681  
contract. 19682

(U) No political subdivision shall grant any tax exemption 19683  
under Chapter 1728. or section 3735.67, 5709.62, 5709.63, or 19684  
5709.632 of the Revised Code on any property located within the 19685  
district without the consent of all the contracting parties. The 19686  
prohibition against granting a tax exemption under this section 19687  
does not apply to any exemption filed, pending, or approved 19688  
before the effective date of the contract entered into under 19689  
this section. 19690

**Sec. 902.04.** (A) An issuer may from time to time issue 19691  
bonds to carry out the lawful purposes set forth in this chapter 19692  
including, but not limited to, the purchase of loans or other 19693  
evidence of debt from and the making of loans to or through 19694  
lending institutions, the payment of the costs of insurance, 19695  
letters of credit, certificates of deposit, and purchase 19696  
agreements related to the bonds or loans, underwriting, legal, 19697  
accounting, financial consulting, rating, printing, and other 19698  
services relating to the issuance and sale of the bonds, fees of 19699  
any trustee, paying agent, bond registrar, depository, transfer 19700  
agent, and authenticating agent, interest on the bonds, 19701  
establishment of reserve funds securing the bonds, and any other 19702  
costs reasonably related to the issuance, sale, marketing, 19703  
servicing, insuring, guaranteeing, and otherwise securing of the 19704  
bonds. Any issuer may from time to time, whenever it considers 19705  
refunding to be expedient, issue bonds to refund any bonds 19706  
issued under this chapter whether the bonds to be refunded have 19707  
or have not matured, and may issue bonds partly to refund bonds 19708  
then outstanding and partly for any other authorized purpose. 19709

The terms of the issuance and sale of refunding bonds shall be 19710  
as provided in this chapter for an original issue of bonds. 19711

(B) Bonds, and the issuance of bonds, pursuant to this 19712  
chapter need not comply with any other law applicable to the 19713  
issuance of bonds. The deposit, application, safeguarding, and 19714  
investment of funds of an issuer received or held under bond 19715  
proceedings of the issuer shall not be subject to Chapters 131. 19716  
and 135. of the Revised Code. 19717

(C) (1) Bonds issued pursuant to this chapter do not 19718  
constitute a debt, or the pledge of the faith and credit, of the 19719  
state or any political subdivision thereof, and the holders or 19720  
owners of such bonds have no right to have taxes levied by the 19721  
general assembly or taxing authority of any political 19722  
subdivision for the payment of the principal thereof or interest 19723  
thereon. Moneys raised by taxation shall not be obligated or 19724  
pledged for the payment of principal of or interest on such 19725  
bonds, but such bonds shall be payable solely from the revenues 19726  
and security interests pledged for their payment as authorized 19727  
by this chapter, unless bonds are issued in anticipation of the 19728  
issuance of or are refunded by refunding bonds issued pursuant 19729  
to this chapter, which refunding bonds shall be payable solely 19730  
from revenues and security interests pledged for their payment 19731  
as authorized by this chapter. Bond anticipation notes may be 19732  
secured solely or additionally by a covenant of the issuer that 19733  
it will do all things necessary for the issuance of the bonds 19734  
anticipated or renewal notes in appropriate amount and either 19735  
exchange such bonds or renewal notes for such notes or apply the 19736  
proceeds therefrom to the extent necessary to make full payment 19737  
of the principal of and interest on such notes. 19738

(2) Any pledge of revenues to the payment of bonds is 19739



valid and binding from the time the pledge is made and the 19740  
revenues so pledged and thereafter received by the issuer are 19741  
immediately subject to the lien of such pledge without any 19742  
separation or physical delivery thereof, or further act, and the 19743  
lien of any such pledge is valid and binding as against all 19744  
parties having claims of any kind in tort, contract, or 19745  
otherwise against the issuer, irrespective of whether such 19746  
parties have notice thereof, and creates a perfected security 19747  
interest for all purposes of Chapter 1309. of the Revised Code. 19748  
Neither the resolution or ordinance nor any trust agreement or 19749  
indenture by which a pledge is created need be filed or recorded 19750  
except in the records of the issuer. 19751

(3) All bonds shall contain on the face thereof a 19752  
statement to the effect that the bonds, as to both principal and 19753  
interest, are not debts of the state or any political 19754  
subdivision thereof, but are payable solely from the revenues 19755  
and security interests pledged for their payment. 19756

(D) (1) The bonds shall be authorized by one or more 19757  
resolutions or ordinances of the issuing authority, shall bear 19758  
such date or dates, and shall mature at such time or times, not 19759  
exceeding forty years from the date of issue, and have such 19760  
redemption and purchase provisions as are authorized by or 19761  
pursuant to such resolutions or ordinances. The bonds shall bear 19762  
interest at such rate or rates, or at a variable rate or rates, 19763  
as provided in or authorized by or pursuant to such resolutions 19764  
or ordinances. The bonds shall be in such denominations, be in 19765  
such form, either coupon, registered or book entry, carry such 19766  
registration privileges, be payable in such medium of payment, 19767  
at such place or places, and be subject to such terms of 19768  
redemption as the issuing authority may authorize. The bonds may 19769  
be sold by the issuing authority at public or private sale, at 19770

not less than such price or prices as the issuer determines. 19771  
Notwithstanding any other provision of this chapter or Chapter 19772  
165., 761., or 1724. of the Revised Code, the commission shall 19773  
have exclusive power to authorize the issuance and sale of bonds 19774  
for agricultural purposes under a composite financing 19775  
arrangement in excess of five hundred thousand dollars; provided 19776  
that other issuers may issue bonds under composite financing 19777  
arrangements in such greater amounts and at such times as shall 19778  
be approved by the commission. 19779

(2) Bonds issued by the agricultural financing commission 19780  
shall be executed by the chairperson or vice-chairperson of the 19781  
commission, manually or by a facsimile signature. The official 19782  
seal of the commission or a facsimile thereof shall be affixed 19783  
thereto or printed thereon, and any coupons attached thereto 19784  
shall bear the signature or facsimile signature of the 19785  
chairperson or vice-chairperson of the commission. Bonds and 19786  
coupons issued by any other issuer shall be executed by such 19787  
officers, in manual or facsimile form, and bear such official 19788  
seal or a facsimile thereof, as shall be provided in the bond 19789  
proceedings for the bonds. In case any officer whose signature 19790  
or a facsimile of whose signature, appears on any bonds or 19791  
coupons ceases to be such officer before delivery of bonds, such 19792  
signature or facsimile is nevertheless sufficient for all 19793  
purposes the same as if the officer had remained in office until 19794  
such delivery, and in case the seal has been changed after a 19795  
facsimile has been imprinted on such bonds, such facsimile seal 19796  
will continue to be sufficient for all purposes. The bonds may 19797  
also be issued and executed in book entry form in such manner as 19798  
is appropriate to that form. Neither the members of the issuing 19799  
authority nor any person executing the bonds is liable 19800  
personally on the bonds or subject to any personal liability by 19801

reason of the issuance thereof. 19802

(E) If the issuer is a county or municipal corporation, 19803  
then prior to the delivery of bonds issued under authority of 19804  
this section, the issuing authority shall send written notice to 19805  
the director of agriculture and the director of housing and 19806  
development either by certified mail or, if the issuing 19807  
authority has record of an internet identifier of record 19808  
associated with the director, by ordinary mail and by that 19809  
internet identifier of record advising of the proposed delivery 19810  
of the bonds, the amount thereof, the proposed lessee of the 19811  
project or person to whom the proceeds of the bonds will be 19812  
loaned, and a general description of the project or projects to 19813  
be financed. 19814

(F) All bonds issued under authority of this chapter, 19815  
regardless of form or terms and regardless of any other law to 19816  
the contrary, shall have all qualities and incidents of 19817  
negotiable instruments, subject to provisions for registration, 19818  
and may be issued in coupon, fully registered, or other form, or 19819  
any combination thereof, as the issuing authority determines. 19820  
Provision may be made for the registration of any coupon bonds 19821  
as to principal alone or as to both principal and interest, and 19822  
for the conversion into coupon bonds of any fully registered 19823  
bonds or bonds registered as to both principal and interest. 19824

(G) As used in this section, "internet identifier of 19825  
record" has the same meaning as in section 9.312 of the Revised 19826  
Code. 19827

**Sec. 991.02.** (A) There is hereby created the Ohio 19828  
expositions commission, which shall consist of the following 19829  
fifteen members: nine members appointed by the governor with the 19830  
advice and consent of the senate; the director of housing and 19831

development, the director of natural resources, and the director 19832  
of agriculture, or their designated representatives, who shall 19833  
be ex officio members with voting rights of the commission; the 19834  
dean of the college of food, agricultural, and environmental 19835  
sciences of the Ohio state university as a nonvoting, ex officio 19836  
member of the commission; and the chairperson of the standing 19837  
committee in the house of representatives to which matters 19838  
dealing with agriculture are generally referred and the 19839  
chairperson of the standing committee in the senate to which 19840  
matters dealing with agriculture are generally referred, who 19841  
shall be nonvoting members. If the senate is not in session, 19842  
recess appointments shall be made by the governor. 19843

(B) Of the nine members of the commission appointed by the 19844  
governor, not more than five shall be from one political party, 19845  
at least three members shall receive the major portion of their 19846  
income from farming, and at least one member shall, at the time 19847  
of appointment, be a member of the board of directors of an 19848  
agricultural society that was organized in compliance with 19849  
section 1711.01 or 1711.02 of the Revised Code. Terms of office 19850  
shall be for six years, commencing on the second day of December 19851  
and ending on the first day of December. Each member shall hold 19852  
office from the date of appointment until the end of the term 19853  
for which the member was appointed. Any member appointed to fill 19854  
a vacancy occurring prior to the expiration of the term for 19855  
which the member's predecessor was appointed shall hold office 19856  
for the remainder of that term. Any member shall continue in 19857  
office subsequent to the expiration date of the member's term 19858  
until the member's successor takes office, or until a period of 19859  
sixty days has elapsed, whichever occurs first. 19860

The term of each nonvoting, legislative member of the 19861  
commission shall be for two years or until the end of the 19862

member's legislative term, whichever occurs first. 19863

(C) The commission shall annually, during the month of 19864  
December, select from among its members a chairperson, a vice- 19865  
chairperson, who in the absence of the chairperson shall carry 19866  
out the chairperson's duties, and a secretary, who may be a 19867  
member or employee of the commission, to record the minutes of 19868  
its meetings and to carry out such other duties as may be 19869  
assigned by the commission, its chairperson, or its vice- 19870  
chairperson. 19871

(D) The director of agriculture, the director of natural 19872  
resources, and the director of housing and development, or their 19873  
designated representatives, the dean of the college of food, 19874  
agricultural, and environmental sciences of the Ohio state 19875  
university, and the two legislators appointed to the commission, 19876  
as members of the commission shall serve without compensation. 19877

(E) Each of the members of the commission appointed by the 19878  
governor shall be paid the rate established pursuant to division 19879  
(J) of section 124.15 of the Revised Code. All members of the 19880  
commission are entitled to their actual and necessary expenses 19881  
incurred in the performance of their duties as such members, 19882  
payable from the appropriations for the commission. 19883

(F) The commission shall hold at least one regular meeting 19884  
in each quarter of each calendar year, and shall keep a record 19885  
of its proceedings, which shall be open to the public for 19886  
inspection. Special meetings may be called by the chairperson 19887  
and shall be called by the chairperson upon receipt of a written 19888  
request therefor signed by two or more members of the 19889  
commission. Written notice of the time and place of each meeting 19890  
shall be sent to each member of the commission. Six of the 19891  
voting members of the commission shall constitute a quorum. 19892

(G) The commission shall employ and prescribe the powers 19893  
and duties of a general manager who shall serve in the 19894  
unclassified civil service at a salary fixed pursuant to section 19895  
124.14 of the Revised Code. The general manager may employ such 19896  
assistant managers as the general manager and the commission may 19897  
approve. At no time shall such assistant managers exceed four in 19898  
number, one of whom shall be appointed in the classified civil 19899  
service. The general manager may, subject to the approval of the 19900  
commission, employ a fiscal officer and such other officers, 19901  
employees, and consultants with such powers and duties as are 19902  
necessary to carry out this chapter. With the approval of the 19903  
commission and in order to implement this chapter, the general 19904  
manager may employ and fix the compensation of seasonal 19905  
employees; these employees shall be in the unclassified civil 19906  
service, and the overtime pay requirements of section 124.18 of 19907  
the Revised Code do not apply to them. The general manager shall 19908  
be considered the appointing authority of the commission for 19909  
purposes of Chapter 124. of the Revised Code. 19910

(H) The governor may remove any appointed voting member of 19911  
the commission at any time for inefficiency, neglect of duty, or 19912  
malfeasance in office. 19913

**Sec. 1547.81.** The director of natural resources or the 19914  
director's representative may create, supervise, operate, 19915  
protect, and maintain wild, scenic, and recreational river 19916  
areas. In creating wild, scenic, and recreational river areas, 19917  
the director shall classify each such area as either a wild 19918  
river area, a scenic river area, or a recreational river area. 19919  
The director or the director's representative may prepare and 19920  
maintain a plan for the establishment, development, use, and 19921  
administration of those areas as a part of the comprehensive 19922  
state plans for water management and outdoor recreation. The 19923

director or the director's representative may cooperate with 19924  
federal agencies administering any federal program concerning 19925  
wild, scenic, or recreational river areas. 19926

The director may propose for establishment as a wild, 19927  
scenic, or recreational river area a part or parts of any 19928  
watercourse in this state, with adjacent lands, that in the 19929  
director's judgment possesses water conservation, scenic, fish, 19930  
wildlife, historic, or outdoor recreation values that should be 19931  
preserved. The area shall include lands adjacent to the 19932  
watercourse in sufficient width to preserve, protect, and 19933  
develop the natural character of the watercourse, but shall not 19934  
include any lands more than one thousand feet from the normal 19935  
waterlines of the watercourse unless an additional width is 19936  
necessary to preserve water conservation, scenic, fish, 19937  
wildlife, historic, or outdoor recreation values. 19938

The director shall publish the intention to declare an 19939  
area a wild, scenic, or recreational river area at least once in 19940  
a newspaper of general circulation in each county, any part of 19941  
which is within the area, and shall send written notice of the 19942  
intention to the legislative authority of each county, township, 19943  
and municipal corporation and to each conservancy district 19944  
established under Chapter 6101. of the Revised Code, any part of 19945  
which is within the area, and to the director of transportation, 19946  
the director of housing and development, the director of 19947  
administrative services, and the director of environmental 19948  
protection. The notices shall include a copy of a map and 19949  
description of the area. 19950

After thirty days from the last date of publication or 19951  
dispatch of written notice as required in this section, the 19952  
director shall enter a declaration in the director's journal 19953

that the area is a wild river area, scenic river area, or 19954  
recreational river area. When so entered, the area is a wild, 19955  
scenic, or recreational river area, as applicable. The director, 19956  
after thirty days' notice as prescribed in this section, may 19957  
terminate the status of an area as a wild river area, scenic 19958  
river area, or recreational river area by an entry in the 19959  
director's journal. 19960

Declaration by the director that an area is a wild, 19961  
scenic, or recreational river area does not authorize the 19962  
director or any governmental agency or political subdivision to 19963  
restrict the use of land by the owner thereof or any person 19964  
acting under the landowner's authority or to enter upon the land 19965  
and does not expand or abridge the regulatory authority of any 19966  
governmental agency or political subdivision over the area. 19967

The director may enter into a lease or other agreement 19968  
with a political subdivision to administer all or part of a 19969  
wild, scenic, or recreational river area and may acquire real 19970  
property or any estate, right, or interest therein in order to 19971  
provide for the protection and public recreational use of a 19972  
wild, scenic, or recreational river area. 19973

The chief of the division of parks and watercraft or the 19974  
chief's representative may participate in watershed-wide 19975  
planning with federal, state, and local agencies in order to 19976  
protect the values of wild, scenic, and recreational river 19977  
areas. 19978

**Sec. 1551.01.** As used in this chapter: 19979

(A) "Governmental agency" means the United States 19980  
government or any department, agency, or instrumentality 19981  
thereof; any department, agency, or instrumentality of a state 19982



government; any municipal corporation, county, township, board 19983  
of education, or other political subdivision or any other body 19984  
corporate and politic of a state; or any agency, commission, or 19985  
authority established under an interstate compact or agreement. 19986

(B) "Energy resource development facility" means any 19987  
energy resource development, research, or conservation facility, 19988  
including pilot as well as demonstration facilities, and 19989  
including undivided or other interests therein, acquired or to 19990  
be acquired, or constructed or to be constructed under this 19991  
chapter or Chapter 6121. or 6123. of the Revised Code, or 19992  
acquired or to be acquired, or constructed or to be constructed 19993  
by a governmental agency or person with all or a part of the 19994  
cost thereof being paid from a loan or grant under such 19995  
chapters, including all buildings and facilities that the 19996  
director of housing and development determines necessary for the 19997  
operation of the facility, together with all property, rights, 19998  
easements, and interests that may be required for the operation 19999  
of the facility, which facilities may include: 20000

(1) Any building, testing facility, testing device, or 20001  
support facilities which would provide experimental, 20002  
demonstration, or testing capabilities or services not otherwise 20003  
available in this state and which are necessary for the 20004  
accomplishment of the purposes of this chapter; 20005

(2) Any method, process, structure, or equipment that is 20006  
used to store coal, oil, natural gas, fuel for nuclear reactors, 20007  
or any other form of energy; 20008

(3) Any method, process, structure, or equipment that is 20009  
used to recover or convert coal, oil, natural gas, steam, or 20010  
other form of energy from property located within the state for 20011  
the purpose of supplying energy for utilization; 20012

(4) Any method, process, structure, or equipment that is 20013  
designed to result in more efficient recovery, conversion, or 20014  
utilization of energy resources within the state, including any 20015  
scrap tire recovery facility for which a registration 20016  
certificate or permit has been issued under section 3734.78 of 20017  
the Revised Code; 20018

(5) Any improvement that is designed to improve the 20019  
thermal efficiency of a building or structure or reduce the fuel 20020  
or power needed to heat, cool, light, ventilate, or provide hot 20021  
water in a building or structure; 20022

(6) Any improvement designed to enable the substitution of 20023  
coal or alternate fuel, other than natural gas, for natural gas 20024  
or a petroleum fuel, or the conversion of coal to other fuels; 20025

(7) Any improvement designed to enable the combustion of 20026  
high sulfur coal in compliance with air or water pollution 20027  
control or solid waste disposal laws, including, but not limited 20028  
to, any facility for processing coal to remove sulfur before 20029  
combustion of the coal, for fluidized bed combustion, or for 20030  
removal of the sulfur before the products of combustion are 20031  
emitted or discharged. 20032

(C) "Cost" as applied to an energy resource development 20033  
facility means the cost of acquisition and construction, the 20034  
cost of acquisition of all land, rights-of-way, property rights, 20035  
easements, franchise rights, and interests required for such 20036  
acquisition and construction, the cost of demolishing or 20037  
removing any buildings or structures on land so acquired, 20038  
including the cost of acquiring any lands to which such 20039  
buildings or structures may be moved, the cost of acquiring or 20040  
constructing and equipping a principal office and sub-offices of 20041  
the department of housing and development, the cost of diverting 20042

highways, interchange of highways, access roads to private 20043  
property, including the cost of land or easements for such 20044  
access roads, the cost of public utility and common carrier 20045  
relocation or duplication, the cost of all machinery, 20046  
furnishings, and equipment, financing charges, interest prior to 20047  
and during construction and for no more than eighteen months 20048  
after completion of construction, engineering, expenses of 20049  
research and development with respect to the facility, legal 20050  
expenses, plans, specifications, surveys, studies, estimates of 20051  
cost and revenues, working capital, other expenses necessary or 20052  
incident to determining the feasibility or practicability of 20053  
acquiring or constructing such facility, administrative expense, 20054  
and such other expense as may be necessary or incident to the 20055  
acquisition or construction of the facility, the financing of 20056  
such acquisition or construction, including the amount 20057  
authorized in the resolution of the Ohio water development 20058  
authority providing for the issuance of energy resource 20059  
development revenue bonds to be paid into any special funds from 20060  
the proceeds of such bonds, and the financing of the placing of 20061  
such facility in operation. Any obligation, cost, or expense 20062  
incurred after August 26, 1975, by any governmental agency or 20063  
person for surveys, borings, preparation of plans and 20064  
specifications, and other engineering services, or any other 20065  
cost described above, in connection with the acquisition or 20066  
construction of a facility may be regarded as a part of the cost 20067  
of such facility and may be reimbursed out of the proceeds of 20068  
energy resource development revenue bonds. 20069

(D) "Revenues" means all rentals and other charges 20070  
received by the Ohio water development authority for the use or 20071  
services of any energy resource development facility, any 20072  
contract, gift, or grant received with respect to any energy 20073

resource development facility, and moneys received with respect 20074  
to the lease, sublease, sale, including installment sale or 20075  
conditional sale, or other disposition of an energy resource 20076  
development facility, moneys received in repayment of and for 20077  
interest on any loans made by the authority to a person or 20078  
governmental agency, whether from the United States or any 20079  
department, administration, or agency thereof, or otherwise, 20080  
proceeds of energy resource development revenue bonds to the 20081  
extent that the use thereof for payment of principal of, 20082  
premium, if any, or interest on the bonds is authorized by the 20083  
authority, proceeds from any insurance, condemnation, or 20084  
guaranty pertaining to a facility or property mortgaged to 20085  
secure bonds or pertaining to the financing of a facility, and 20086  
income and profit from the investment of the proceeds of energy 20087  
resource development revenue bonds or of any revenues. 20088

(E) "Construction," unless the context indicates a 20089  
different meaning or intent, includes construction, 20090  
reconstruction, enlargement, improvement, or providing 20091  
furnishings or equipment. 20092

(F) "Energy resource development revenue bonds," unless 20093  
the context indicates a different meaning or intent, includes 20094  
energy resource development revenue bonds, energy resource 20095  
development revenue notes, and energy resource development 20096  
revenue refunding bonds. 20097

(G) "Energy" means work or heat that is, or can be, 20098  
produced from any fuel or source whatsoever. 20099

(H) "Energy audit" means any process by which energy usage 20100  
or costs of heating, cooling, lighting, and climate control in a 20101  
building or structure are determined. 20102

(I) "Energy conservation" means preservation of energy 20103  
resources by efficient utilization, and reduction of waste. 20104

(J) "Energy conservation measure" means any modification 20105  
of a building, structure, machine, appliance, vehicle, 20106  
improvement, or process in order to improve its efficiency of 20107  
energy use or energy costs. 20108

(K) "Fuel" means petroleum, crude oil, petroleum product, 20109  
coal, natural gas, synthetic natural or artificial gas, nuclear, 20110  
or other substance used primarily for its energy content. 20111

(L) "Net energy analysis" means the determination of the 20112  
amount of energy remaining after all energy outputs have been 20113  
subtracted from the energy inputs of a given system. 20114

**Sec. 1551.05.** The department of ~~development~~ housing and 20115  
development shall: 20116

(A) Monitor and assess technological advancements in 20117  
energy conservation and development, and maintain to the extent 20118  
practicable a capability for independent technology assessment 20119  
to support formulation of state energy policy; 20120

(B) Review laws, rules, and state agency policies that 20121  
affect energy utilization, and recommend to the agencies and the 20122  
general assembly changes to achieve energy conservation and 20123  
development; 20124

(C) Develop methods for the performance of energy audits 20125  
of buildings and structures and net energy analyses, employing 20126  
whenever possible existing knowledge and practices, in order to 20127  
identify energy cost savings to be realized through energy 20128  
conservation measures, and prepare or identify curricula or 20129  
source materials for training of persons conducting energy 20130  
audits; 20131

(D) Implement a continuing public education effort 20132  
designed to inform individuals and organizations about specific 20133  
and appropriate ways to conserve energy; 20134

(E) Provide technical assistance, information on 20135  
technological advancements in energy production, use, and 20136  
conservation, energy efficiency information, recommendations to 20137  
state agencies and local governments, assistance in the 20138  
identification, evaluation, and implementation of measures to 20139  
reduce energy consumption and waste, and public information on 20140  
energy conservation measures, criteria, and alternatives to 20141  
assist consumers in purchasing appliances, machinery, power 20142  
tools, and similar products; 20143

(F) Identify, project, and monitor reduction in energy 20144  
demand due to energy conservation measures in the industrial, 20145  
commercial, residential, transportation, and energy production 20146  
sectors and the state as a whole; 20147

(G) Annually apply for, receive, accept, and administer 20148  
assistance on behalf of the state pursuant to and in compliance 20149  
with the "Energy Policy and Conservation Act," 89 Stat. 871, 42 20150  
U.S.C.A. 6201, as amended. 20151

**Sec. 1551.06.** The department of housing and development 20152  
shall be the coordinating agency responsible for involving all 20153  
other appropriate agencies of state government in developing 20154  
programs to conserve energy, and shall be responsible for 20155  
minimizing duplication of effort among state agencies and 20156  
programs in the state. 20157

All state departments, agencies, institutions, 20158  
universities, colleges, authorities, boards, and commissions, 20159  
and all political subdivisions and quasi-governmental agencies 20160

of the state shall cooperate and coordinate all such activities 20161  
with the department to ensure orderly and efficient 20162  
administration and enforcement. 20163

**Sec. 1551.11.** (A) To achieve the purposes of sections 20164  
1551.01 to 1551.25 of the Revised Code, the director of housing 20165  
and development may: 20166

(1) Identify, plan, organize, initiate, and sponsor 20167  
studies, research, and experimental, pilot, and demonstration 20168  
facilities and projects that would lead to the development and 20169  
more efficient utilization of present, new, or alternative 20170  
energy sources in this state, to the conservation of energy, to 20171  
the attraction of federal and other development funding in 20172  
emerging and established national or state priority areas, or to 20173  
the enhancement of the economic development of the state; 20174

(2) Promote, assist, and provide financial assistance for 20175  
the development of nonprofit corporations organized and 20176  
established under Chapter 1702. of the Revised Code to further 20177  
the purposes of this section; 20178

(3) Seek out, apply for, receive, and accept grants, 20179  
gifts, contributions, loans, and other assistance in any form 20180  
from public and private sources, including assistance from any 20181  
governmental agency; 20182

(4) Make grants under division (F) of section 1551.12 of 20183  
the Revised Code from funds that are appropriated by the general 20184  
assembly and from gifts or grants obtained under division (A) (3) 20185  
of this section for the purposes of developing, constructing, or 20186  
operating experimental, pilot, and demonstration facilities or 20187  
programs which develop, test, or demonstrate more efficient and 20188  
environmentally acceptable methods of extracting energy 20189

resources; new concepts, programs, or technology for the 20190  
conservation of energy; new concepts, programs, or technology 20191  
for the efficient and environmentally acceptable utilization of 20192  
present, new, or alternative energy sources; or concepts, 20193  
programs, or technology which develop resources of the state. 20194  
Grants may be made, without limitation, for projects and 20195  
programs such as experimental demonstrations of the use of Ohio 20196  
coal in processes which would facilitate its widespread use as a 20197  
source of energy; experimental demonstrations of new or improved 20198  
coal, natural gas, and natural petroleum extraction techniques 20199  
and of reclamation techniques at the extraction sites; 20200  
experimental demonstrations or development of solar heating and 20201  
cooling and potentially energy-efficient construction in public 20202  
buildings, schools, offices, commercial establishments, and 20203  
residential homes; development of programs or experimental 20204  
demonstrations of the utilization of waste products in energy 20205  
production and mineral and energy conservation; and development 20206  
of programs or experimental demonstrations of technologies which 20207  
would permit utility pricing policies which may reduce the 20208  
consumer costs of energy. 20209

(5) Enter into agreements with persons and governmental 20210  
agencies, in any combination, for the purposes of this section. 20211

(B) Any materials or data submitted to, made available by 20212  
or to, or received by the director under division (A) of this 20213  
section, division (F) of section 1551.12, or division (B) of 20214  
section 1551.15 of the Revised Code, and any information taken 20215  
from those materials or data for any purpose, to the extent that 20216  
those materials or data consist of trade secrets or other 20217  
proprietary information, are not public information or public 20218  
documents and shall not be open to public inspection. 20219



(C) The exercise by the director of the powers conferred 20220  
by sections 1551.01 to 1551.25 of the Revised Code for the 20221  
preservation or creation of jobs and employment opportunities 20222  
for the people of this state through the development and 20223  
efficient utilization of energy resources of the state is in all 20224  
respects for the benefit of the people of the state, and is 20225  
determined to be an essential government function and public 20226  
purpose of the state. 20227

**Sec. 1551.12.** The director of housing and development may: 20228

(A) Seek, solicit, or acquire personal property or any 20229  
estate, interest, or right in real property, or services, funds, 20230  
and other things of value of any kind or character by purchase, 20231  
lease, gift, grant, contribution, exchange, or otherwise from 20232  
any person or governmental agency to be held, used, and applied 20233  
in accordance with and for the purposes of sections 1551.01 to 20234  
1551.25 of the Revised Code; 20235

(B) Contract for the operation of, and establish rules for 20236  
the use of, facilities over which the director has supervision 20237  
or control, which rules may include the limitation of ingress to 20238  
or egress from such facilities as may be necessary to maintain 20239  
the security of such facilities and to provide for the safety of 20240  
those on the premises of such facilities; 20241

(C) Purchase such fire and extended coverage insurance and 20242  
insurance protecting against liability for damage to property or 20243  
injury to or death of persons as the director may consider 20244  
necessary and proper under sections 1551.01 to 1551.25 of the 20245  
Revised Code; 20246

(D) Sponsor, conduct, assist, and encourage conferences, 20247  
seminars, meetings, institutes, and other forms of meetings; 20248

authorize, prepare, publish, and disseminate any form of 20249  
studies, reports, and other publications; originate, prepare, 20250  
and assist proposals for the expenditure or granting of funds by 20251  
any governmental agency or person for purposes of energy 20252  
resource development; and investigate, initiate, sponsor, 20253  
participate in, and assist with cooperative activities and 20254  
programs involving governmental agencies and other entities of 20255  
other states and jurisdictions; 20256

(E) Do all acts and things necessary and proper to carry 20257  
out the powers granted and the duties imposed by sections 20258  
1551.01 to 1551.25 of the Revised Code; 20259

(F) Make grants of funds to any person, organization, or 20260  
governmental agency of the state for the furnishing of goods or 20261  
performance of services. 20262

Any person or governmental agency that receives funds from 20263  
the department of housing and development, or utilizes the 20264  
facilities of the department under sections 1551.01 to 1551.25 20265  
of the Revised Code shall agree in writing that all know-how, 20266  
trade secrets, and other forms of property, rights, and interest 20267  
arising out of developments, discoveries, or inventions, 20268  
including patents, copyrights, or royalties thereon, which 20269  
result in whole or in part from research, studies, or testing 20270  
conducted by use of such funds or facilities shall be the sole 20271  
property of the department, except as may be otherwise 20272  
negotiated and provided by contract in advance of such research, 20273  
studies, or testing. However, such exceptions do not apply to 20274  
the director or employees of the department participating in or 20275  
performing research, tests, or studies. 20276

Rights retained by the department may be assigned, 20277  
licensed, transferred, sold, or otherwise disposed of, in whole 20278

or in part, to any person or governmental agency. Any and all 20279  
income, royalties, or proceeds derived or retained from such 20280  
dispositions shall be paid to the state and credited to the 20281  
general revenue fund. 20282

Any instrument by which real property is acquired pursuant 20283  
to this section shall identify the agency of this state that has 20284  
the use and benefit of the real property as specified in section 20285  
5301.012 of the Revised Code. 20286

**Sec. 1551.15.** (A) All general revenue fund moneys required 20287  
by the department of housing and development for purposes of 20288  
sections 1551.01 to 1551.25 of the Revised Code are subject to 20289  
appropriation by the general assembly. 20290

(B) The director of housing and development may enter into 20291  
agreements, make grants, or enter into contracts for the 20292  
purposes of effecting the construction and operation in this 20293  
state of experimental, pilot, or demonstration energy resource 20294  
development facilities. Before making grants or entering 20295  
contracts, the director shall determine that all of the 20296  
following criteria are met: 20297

(1) The urgency of public need for the potential results 20298  
of the experimental, pilot, or demonstration project is high, 20299  
and there is little likelihood that similar results would be 20300  
achieved in this state in a timely manner in the absence of 20301  
state assistance; 20302

(2) The potential opportunities for private interests to 20303  
recapture the investment in the undertaking through the normal 20304  
commercial exploitation of proprietary knowledge appear to be 20305  
inadequate to encourage timely results in this state; 20306

(3) The extent of the problems treated and the objectives 20307

sought by the project are consistent with the purposes of 20308  
sections 1551.01 to 1551.25 of the Revised Code and of general 20309  
significance to the state. 20310

This determination by the director shall include the facts 20311  
or reasons justifying it and shall be journalized by the 20312  
director. 20313

(C) The director may use funds as appropriated, donated, 20314  
granted, or received for any of the following purposes: 20315

(1) Construction and related architectural or engineering 20316  
studies or purchase of physical plant and equipment for an 20317  
experimental, pilot, or demonstration energy resource 20318  
development facility; 20319

(2) Acquisition and improvement of land, construction of 20320  
roads, and provision of other public facilities incidental and 20321  
necessary to the accomplishment of experimental, pilot, or 20322  
demonstration energy resource development facilities; 20323

(3) Operation of an energy resource development 20324  
experimental, pilot, or demonstration project or facility, which 20325  
could include but not be limited to labor, feedstocks, and 20326  
repair or replacement parts; 20327

(4) Purchase of all or a portion of the usable output of 20328  
energy resource development experimental, pilot, or 20329  
demonstration projects and the disposition of this output for 20330  
use in the facilities of governmental agencies. 20331

(D) Each grant made pursuant to this section shall be 20332  
accomplished through written agreements between the department 20333  
and the person or governmental agency which would effect the 20334  
construction and operation of the project or facility, and 20335  
between the department and the persons and governmental agencies 20336

which would share the expenses and costs of the project or 20337  
facility. In addition to such other terms as may be required by 20338  
law or advised by counsel, each agreement shall provide for each 20339  
of the following conditions: 20340

(1) The limitation of the department's financial 20341  
obligations in the project or facility to a specified dollar 20342  
amount which shall not exceed one-third of the total costs of 20343  
the project or facility; 20344

(2) The financial participation in the project or facility 20345  
by the federal government or its agencies, by private 20346  
corporations doing business in this state, by local governmental 20347  
agencies, or by other organizations; 20348

(3) The disposition of the assets of the project or 20349  
facility, should it be terminated or abandoned, in such manner 20350  
that the department shall be repaid in the same proportion as 20351  
its share in the total of moneys, property, or other assets 20352  
expended, contributed, or invested in the project or facility; 20353

(4) The criteria for the identification if and when the 20354  
project or facility is commercially viable through the 20355  
profitable disposition of its output; 20356

(5) The termination of the department's financial support 20357  
at such time the project or facility is commercially viable and 20358  
the repayment of the department through the future profits, if 20359  
any, of the project or facility. 20360

**Sec. 1551.19.** The director of housing and development 20361  
shall adopt, consistent with the "Energy Policy and Conservation 20362  
Act of 1975," 89 Stat. 871, 42 U.S.C.A. 6291, as amended: 20363

(A) Mandatory lighting efficiency rules for all existing 20364  
public buildings above a minimum size established by the 20365

director which are owned, leased, or controlled by the state, 20366  
except by state colleges and universities; 20367

(B) Lighting efficiency recommendations for all other 20368  
existing public buildings larger than the minimum size 20369  
established by the director, including those which are owned, 20370  
leased, or controlled by state colleges and universities. 20371

For the purposes of this section, "public building" means 20372  
any building that is open to the public during normal business 20373  
hours. 20374

**Sec. 1551.20.** (A) As used in this section, "solar or wind 20375  
energy system" means any method used directly to provide space 20376  
heating or cooling, hot water, industrial process heat, or 20377  
mechanical or electric power by the collection, conversion, or 20378  
storage of solar or wind energy including, but not limited to, 20379  
active or passive solar systems. It does not include any 20380  
equipment that is part of a conventional system for such 20381  
purposes, that is, a system that does not use solar or wind 20382  
energy; nor does it include a roof or any windows or walls that 20383  
would be contained in a similar structure not designed or 20384  
modified to use solar energy for space heating or cooling, 20385  
except for those modifications to the design or construction of 20386  
such roof, windows, or walls that are necessary to their 20387  
improved use to capture solar energy for space heating or 20388  
cooling. 20389

As used in this section, "hydrothermal energy system" 20390  
means any method used directly to provide a heating or cooling 20391  
effect by causing a thermal exchange with the earth utilizing 20392  
any water source, including ground or surface water by use of 20393  
appropriate heat exchange equipment. 20394

(B) The director of housing and development shall adopt 20395  
rules in accordance with Chapter 119. of the Revised Code 20396  
establishing guidelines for identifying solar, wind, or 20397  
hydrothermal energy systems and components thereof, and 20398  
guidelines for the safety and thermal efficiency of such 20399  
systems. The rules shall distinguish such systems from 20400  
conventional systems and components thereof, and shall 20401  
distinguish from conventional roof, window, or wall design or 20402  
construction those modifications to the design or construction 20403  
of roofs, windows, or walls that are necessary to their improved 20404  
use to capture solar energy for space heating or cooling. The 20405  
rules shall determine the eligibility of solar, wind, and 20406  
hydrothermal energy systems for the tax exemption under section 20407  
5709.53 of the Revised Code. 20408

(C) At the request of any person who designs, 20409  
manufactures, installs, or constructs solar, wind, or 20410  
hydrothermal energy systems, the director shall review the 20411  
detailed construction plans and design calculations for any such 20412  
system to determine whether the system complies with the 20413  
guidelines adopted under division (B) of this section. If the 20414  
system complies with the guidelines, the director shall enter 20415  
the name of the system on a list of solar, wind, or hydrothermal 20416  
energy systems eligible for the tax exemption under section 20417  
5709.53 of the Revised Code. 20418

(D) At the request of any person who desires to design or 20419  
install a solar, wind, or hydrothermal energy system for ~~his~~ the 20420  
person's own use, the director shall review the plans for or a 20421  
narrative description of the system, and the list of components 20422  
and materials to be incorporated therein to determine whether 20423  
the system complies with the guidelines adopted under division 20424  
(B) of this section. If the system complies, the director shall 20425

issue a certificate to that effect to the applicant. 20426

**Sec. 1551.311.** The general assembly hereby finds and 20427  
declares that the future of the Ohio coal industry lies in the 20428  
development of clean coal technology and that the 20429  
disproportionate economic impact on the state under Title IV of 20430  
the "Clean Air Act Amendments of 1990," 104 Stat. 2584, 42 20431  
U.S.C.A. 7651, warrants maximum federal assistance to this state 20432  
for such development. It is therefore imperative that the 20433  
department of housing and development, its Ohio coal development 20434  
office, the Ohio coal industry, the Ohio Washington office in 20435  
the office of the governor, and the state's congressional 20436  
delegation make every effort to acquire any federal assistance 20437  
available for the development of clean coal technology, 20438  
including assisting entities eligible for grants in their 20439  
acquisition. The Ohio coal development agenda required by 20440  
section 1551.34 of the Revised Code shall include, in addition 20441  
to the other information required by that section, a description 20442  
of such efforts and a description of the current status of the 20443  
development of clean coal technology in this state and 20444  
elsewhere. 20445

**Sec. 1551.32.** (A) There is hereby established within the 20446  
department of housing and development the Ohio coal development 20447  
office whose purposes are to do all of the following: 20448

(1) Encourage, promote, and support siting, financing, 20449  
construction, and operation of commercially available or scaled 20450  
facilities and technologies, including, without limitation, 20451  
commercial-scale demonstration facilities and, when necessary or 20452  
appropriate to demonstrate the commercial acceptability of a 20453  
specific technology, up to three installations within this state 20454  
utilizing the specific technology, to more efficiently produce, 20455



beneficiate, market, or use Ohio coal; 20456

(2) Encourage, promote, and support the market acceptance 20457  
and increased market use of Ohio coal through technology and 20458  
market development; 20459

(3) Assist in the financing of coal development 20460  
facilities; 20461

(4) Encourage, promote, and support, in state-owned 20462  
buildings, facilities, and operations, use of Ohio coal and 20463  
electricity sold by utilities and others in this state that use 20464  
Ohio coal for generation; 20465

(5) Improve environmental quality, particularly through 20466  
cleaner use of Ohio coal; 20467

(6) Assist and cooperate with governmental agencies, 20468  
universities and colleges, coal producers, coal miners, electric 20469  
utilities and other coal users, public and private sector coal 20470  
development interests, and others in achieving these purposes. 20471

(B) The office shall give priority to improvement or 20472  
reconstruction of existing facilities and equipment when 20473  
economically feasible, to construction and operation of 20474  
commercial-scale facilities, and to technologies, equipment, and 20475  
other techniques that enable maximum use of Ohio coal in an 20476  
environmentally acceptable, cost-effective manner. 20477

**Sec. 1551.33.** (A) The director of housing and development 20478  
shall appoint and fix the compensation of the director of the 20479  
Ohio coal development office. The director shall serve at the 20480  
pleasure of the director of housing and development. 20481

(B) The director of the office shall do all of the 20482  
following: 20483

|  |       |
|--|-------|
| (1) Biennially prepare and maintain the Ohio coal                | 20484 |
| development agenda required under section 1551.34 of the Revised | 20485 |
| Code;  | 20486 |
| (2) Propose and support policies for the office consistent       | 20487 |
| with the Ohio coal development agenda and develop means to       | 20488 |
| implement the agenda;  | 20489 |
| (3) Initiate, undertake, and support projects to carry out       | 20490 |
| the office's purposes and ensure that the projects are           | 20491 |
| consistent with and meet the selection criteria established by   | 20492 |
| the Ohio coal development agenda;                                | 20493 |
| (4) Actively encourage joint participation in and, when          | 20494 |
| feasible, joint funding of the office's projects with            | 20495 |
| governmental agencies, electric utilities, universities and      | 20496 |
| colleges, other public or private interests, or any other        | 20497 |
| person;  | 20498 |
| (5) Establish a table of organization for and employ such        | 20499 |
| employees and agents as are necessary for the administration and | 20500 |
| operation of the office. Any such employees shall be in the      | 20501 |
| unclassified service and shall serve at the pleasure of the      | 20502 |
| director of <u>housing and</u> development.                      | 20503 |
| (6) Convene the technical advisory committee established         | 20504 |
| under section 1551.35 of the Revised Code;                       | 20505 |
| (7) Review, with the assistance of the technical advisory        | 20506 |
| committee, proposed coal research and development projects as    | 20507 |
| defined in section 1555.01 of the Revised Code, and coal         | 20508 |
| development projects, submitted to the office by public          | 20509 |
| utilities for the purpose of section 4905.304 of the Revised     | 20510 |
| Code. If the director and the advisory committee determine that  | 20511 |
| any such facility or project has as its purpose the enhanced use | 20512 |

of Ohio coal in an environmentally acceptable, cost effective 20513  
manner, promotes energy conservation, is cost effective, and is 20514  
environmentally sound, the director shall submit to the public 20515  
utilities commission a report recommending that the commission 20516  
allow the recovery of costs associated with the facility or 20517  
project under section 4905.304 of the Revised Code and including 20518  
the reasons for the recommendation. 20519

(8) Establish such policies, procedures, and guidelines as 20520  
are necessary to achieve the office's purposes. 20521

(C) With the approval of the director of housing and 20522  
development—, the director of the office may exercise any of the 20523  
powers and duties that the director of housing and development 20524  
considers appropriate or desirable to achieve the office's 20525  
purposes, including, but not limited to, the powers and duties 20526  
enumerated in sections 1551.11, 1551.12, and 1551.15 of the 20527  
Revised Code. 20528

Additionally, the director of the office may make loans to 20529  
governmental agencies or persons for projects to carry out the 20530  
office's purposes. Fees, charges, rates of interest, times of 20531  
payment of interest and principal, and other terms, conditions, 20532  
and provisions of the loans shall be such as the director of the 20533  
office determines to be appropriate and in furtherance of the 20534  
purposes for which the loans are made. The mortgage lien 20535  
securing any moneys lent by the director of the office may be 20536  
subordinate to the mortgage lien securing any moneys lent or 20537  
invested by a financial institution, but shall be superior to 20538  
that securing any moneys lent or expended by any other person. 20539  
The moneys used in making the loans shall be disbursed upon 20540  
order of the director of the office. 20541

**Sec. 1551.35.** (A) There is hereby established a technical 20542

advisory committee to assist the director of the Ohio coal 20543  
development office in achieving the office's purposes. The 20544  
director of housing and development shall appoint to the 20545  
committee one member of the public utilities commission and one 20546  
representative each of coal production companies, the united 20547  
mine workers of America, and electric utilities, as well as two 20548  
people with a background in coal research and development 20549  
technology, one of whom is employed at the time of the member's 20550  
appointment by a state university, as defined in section 20551  
3345.011 of the Revised Code. The director of environmental 20552  
protection shall serve on the committee as an ex officio member. 20553  
Any member of the committee may designate in writing a 20554  
substitute to serve in the member's absence on the committee. 20555  
The director of environmental protection may designate in 20556  
writing the chief of the air pollution control division of the 20557  
environmental protection agency to represent the agency. Members 20558  
shall serve on the committee at the pleasure of their appointing 20559  
authority. Members of the committee appointed by the director of 20560  
housing and development, when engaged in their official duties 20561  
as members of the committee, shall be compensated on a per diem 20562  
basis in accordance with division (J) of section 124.15 of the 20563  
Revised Code, except that the member of the public utilities 20564  
commission and, while employed by a state university, the member 20565  
with a background in coal research, shall not be so compensated. 20566  
Members shall receive their actual and necessary expenses 20567  
incurred in the performance of their duties. 20568

(B) The technical advisory committee shall review and make 20569  
recommendations concerning the Ohio coal development agenda 20570  
required under section 1551.34 of the Revised Code, project 20571  
proposals, research and development projects submitted to the 20572  
office by public utilities for the purpose of section 4905.304 20573

of the Revised Code, proposals for grants, loans, and loan 20574  
guarantees for purposes of sections 1555.01 to 1555.06 of the 20575  
Revised Code, and such other topics as the director of the 20576  
office considers appropriate. 20577

(C) The technical advisory committee may hold an executive 20578  
session at any regular or special meeting for the purpose of 20579  
considering research and development project proposals or 20580  
applications for assistance submitted to the Ohio coal 20581  
development office under section 1551.33, or sections 1555.01 to 20582  
1555.06, of the Revised Code, to the extent that the proposals 20583  
or applications consist of trade secrets or other proprietary 20584  
information. 20585

Any materials or data submitted to, made available to, or 20586  
received by the department of housing and development or the 20587  
director of the Ohio coal development office in connection with 20588  
agreements for assistance entered into under this chapter or 20589  
Chapter 1555. of the Revised Code, or any information taken from 20590  
those materials or data for any purpose, to the extent that the 20591  
materials or data consist of trade secrets or other proprietary 20592  
information, are not public records for the purposes of section 20593  
149.43 of the Revised Code. 20594

As used in this division, "trade secrets" has the same 20595  
meaning as in section 1333.61 of the Revised Code. 20596

**Sec. 1555.02.** It is hereby declared to be the public 20597  
policy of this state through the operations of the Ohio coal 20598  
development office under this chapter to contribute toward one 20599  
or more of the following: to provide for the comfort, health, 20600  
safety, and general welfare of all employees and other 20601  
inhabitants of this state through research and development 20602  
directed toward the discovery of new technologies or the 20603

demonstration or application of existing technologies to enable 20604  
the conversion or use of Ohio coal as a fuel or chemical 20605  
feedstock in an environmentally acceptable manner thereby 20606  
enhancing the marketability and fostering the use of this 20607  
state's vast reserves of coal, to assist in the financing of 20608  
coal research and development and coal research and development 20609  
projects or facilities for persons doing business in this state 20610  
and educational and scientific institutions located in this 20611  
state, to create or preserve jobs and employment opportunities 20612  
or improve the economic welfare of the people of this state, or 20613  
to assist and cooperate with such persons and educational and 20614  
scientific institutions in conducting coal research and 20615  
development. In furtherance of this public policy, the Ohio coal 20616  
development office, with the advice of the technical advisory 20617  
committee created in section 1551.35 of the Revised Code and the 20618  
approval of the director of housing and development, may make 20619  
loans, guarantee loans, and make grants to persons doing 20620  
business in this state or to educational or scientific 20621  
institutions located in this state for coal research and 20622  
development projects by such persons or educational or 20623  
scientific institutions; may, with the advice of the technical 20624  
advisory committee and the approval of the director of housing 20625  
and development, request the issuance of coal research and 20626  
development general obligations under section 151.07 of the 20627  
Revised Code to provide funds for making such loans, loan 20628  
guarantees, and grants; and may, with the advice of the 20629  
technical advisory committee and the approval of the director of 20630  
housing and development, expend moneys credited to the coal 20631  
research and development fund created in section 1555.15 of the 20632  
Revised Code for the purpose of making such loans, loan 20633  
guarantees, and grants. Determinations by the director of the 20634  
Ohio coal development office that coal research and development 20635

or a coal research and development facility is a coal research 20636  
and development project under this chapter and is consistent 20637  
with the purposes of Section 15 of Article VIII, Ohio 20638  
Constitution, and this chapter shall be conclusive as to the 20639  
validity and enforceability of the coal research and development 20640  
general obligations issued to finance such project and of the 20641  
authorizations, trust agreements or indentures, loan agreements, 20642  
loan guarantee agreements, or grant agreements, and other 20643  
agreements made in connection therewith, all in accordance with 20644  
their terms. 20645

**Sec. 1555.03.** For the purposes of this chapter, the 20646  
director of the Ohio coal development office may: 20647

(A) With the advice of the technical advisory committee 20648  
created in section 1551.35 of the Revised Code and the approval 20649  
of the director of housing and development, make loans, 20650  
guarantee loans, and make grants to persons doing business in 20651  
this state or to educational or scientific institutions located 20652  
in this state for coal research and development projects by any 20653  
such person or educational or scientific institution and adopt 20654  
rules under Chapter 119. of the Revised Code for making such 20655  
loans, guarantees, and grants. 20656

(B) In making loans, loan guarantees, and grants under 20657  
division (A) of this section and section 1555.04 of the Revised 20658  
Code, the director of the office shall ensure that an adequate 20659  
portion of the total amount of those loans, loan guarantees, and 20660  
grants, as determined by the director with the advice of the 20661  
technical advisory committee, is used for conducting research on 20662  
fundamental scientific problems related to the utilization of 20663  
Ohio coal and shall ensure, to the maximum feasible extent, 20664  
joint financial participation by the federal government or other 20665

investors or interested parties in conjunction with any such 20666  
loan, loan guarantee, or grant. The director, in each grant 20667  
agreement or contract under division (A) of this section, loan 20668  
contract or agreement under this division or section 1555.04 of 20669  
the Revised Code, and contract of guarantee under section 20670  
1555.05 of the Revised Code, shall require that the facility or 20671  
project be maintained and kept in good condition and repair by 20672  
the person or educational or scientific institution to whom the 20673  
grant or loan was made or for whom the guarantee was made. 20674

(C) From time to time, with the advice of the technical 20675  
advisory committee and the approval of the director of housing 20676  
and development, request the issuance of coal research and 20677  
development general obligations under section 151.07 of the 20678  
Revised Code, for any of the purposes set forth in Section 15 of 20679  
Article VIII, Ohio Constitution, and subject to the limitations 20680  
therein upon the aggregate total amount of obligations that may 20681  
be outstanding at any time. 20682

(D) Include as a condition of any loan, loan guarantee, or 20683  
grant contract or agreement with any such person or educational 20684  
or scientific institution that the director of the office 20685  
receive, in addition to payments of principal and interest on 20686  
any such loan or service charges for any such guarantee, as 20687  
appropriate, as authorized by Section 15 of Article VIII, Ohio 20688  
Constitution, a reasonable royalty or portion of the income or 20689  
profits arising out of the developments, discoveries, or 20690  
inventions, including patents or copyrights, that result in 20691  
whole or in part from coal research and development projects 20692  
conducted under any such contract or agreement, in such amounts 20693  
and for such period of years as may be negotiated and provided 20694  
by the contract or agreement in advance of the making of the 20695  
grant, loan, or loan guarantee. Moneys received by the director 20696



of the office under this section may be credited to the coal 20697  
research and development bond service fund or used to make 20698  
additional loans, loan guarantees, grants, or agreements under 20699  
this section. 20700

(E) Employ managers, superintendents, and other employees 20701  
and retain or contract with consulting engineers, financial 20702  
consultants, accounting experts, architects, and such other 20703  
consultants and independent contractors as are necessary in the 20704  
judgment of the director of the office to carry out this 20705  
chapter, and fix the compensation thereof. 20706

(F) Receive and accept from any federal agency, subject to 20707  
the approval of the governor, grants for or in aid of the 20708  
construction or operation of any coal research and development 20709  
project or for coal research and development, and receive and 20710  
accept aid or contributions from any source of money, property, 20711  
labor, or other things of value, to be held, used, and applied 20712  
only for the purposes for which such grants and contributions 20713  
are made. 20714

(G) Purchase fire and extended coverage and liability 20715  
insurance for any coal research and development project, 20716  
insurance protecting the office and its officers and employees 20717  
against liability for damage to property or injury to or death 20718  
of persons arising from its operations, and any other insurance 20719  
the director of the office determines necessary or proper under 20720  
this chapter. Any moneys received by the director from the 20721  
proceeds of any such insurance with respect to a coal research 20722  
and development project and any moneys received by the director 20723  
from the proceeds of any settlement, judgment, foreclosure, or 20724  
other insurance with respect to a coal research and development 20725  
project or facility shall be credited to the coal research and 20726

development bond service fund. 20727

(H) In the exercise of the powers of the director of the 20728  
office under this chapter, call to the director's assistance, 20729  
temporarily, from time to time, any engineers, technical 20730  
experts, financial experts, and other employees in any state 20731  
department, agency, or commission, or in the Ohio state 20732  
university, or other educational institutions financed wholly or 20733  
partially by this state for purposes of assisting the director 20734  
of the office with reviewing and evaluating applications for 20735  
financial assistance under this chapter, monitoring performance 20736  
of coal research and development projects receiving financial 20737  
assistance under this chapter, and reviewing and evaluating the 20738  
progress and findings of those projects. Such engineers, 20739  
experts, and employees shall not receive any additional 20740  
compensation over that which they receive from the department, 20741  
agency, commission, or educational institution by which they are 20742  
employed, but they shall be reimbursed for their actual and 20743  
necessary expenses incurred while working under the direction of 20744  
the director. 20745

(I) Do all acts necessary or proper to carry out the 20746  
powers expressly granted in this chapter. 20747

**Sec. 1555.04.** (A) With respect to coal research and 20748  
development projects financed wholly or partially from a loan or 20749  
loan guarantee under this chapter, the director of the Ohio coal 20750  
development office, in addition to other powers under this 20751  
chapter, with the advice of the technical advisory committee 20752  
created in section 1551.35 of the Revised Code and the approval 20753  
of the director of housing and development, may enter into loan 20754  
agreements, accept notes and other forms of obligation to 20755  
evidence such indebtedness and mortgages, liens, pledges, 20756

assignments, or other security interests to secure such 20757  
indebtedness, which may be prior or subordinate to or on a 20758  
parity with other indebtedness, obligations, mortgages, pledges, 20759  
assignments, other security interests, or liens or encumbrances, 20760  
and take such actions as the director of the office considers 20761  
appropriate to protect such security and safeguard against 20762  
losses, including, without limitation, foreclosure and the 20763  
bidding upon and purchase of property upon foreclosure or other 20764  
sale. 20765

(B) The authority granted by this section is cumulative 20766  
and supplementary to all other authority granted in this 20767  
chapter. The authority granted by this section does not alter or 20768  
impair any similar authority granted elsewhere in this chapter 20769  
with respect to other projects. 20770

**Sec. 1555.05.** (A) Subject to any limitations as to 20771  
aggregate amounts thereof that may from time to time be 20772  
prescribed by the general assembly and to other applicable 20773  
provisions of this chapter, and subject to the one-hundred- 20774  
million-dollar limitation provided in Section 15 of Article 20775  
VIII, Ohio Constitution, the director of the Ohio coal 20776  
development office, on behalf of this state, with the advice of 20777  
the technical advisory committee created in section 1551.35 of 20778  
the Revised Code and the approval of the director of housing and 20779  
development, may enter into contracts to guarantee the repayment 20780  
or payment of the unpaid principal amount of loans made to pay 20781  
the costs of coal research and development projects. 20782

(B) The contract of guarantee may make provision for the 20783  
conditions of, time for, and manner of fulfillment of the 20784  
guarantee commitment, subrogation of this state to the rights of 20785  
the parties guaranteed and exercise of such parties' rights by 20786

the state, giving the state the option of making payment of the 20787  
principal amount guaranteed in one or more installments and, if 20788  
deferred, to pay interest thereon from the source specified in 20789  
division (A) of this section, and any other terms or conditions 20790  
customary to such guarantees and as the director of the office 20791  
may approve, and may contain provisions for securing the 20792  
guarantee in the manner consistent with this section, covenants 20793  
on behalf of this state to issue obligations under section 20794  
1555.08 of the Revised Code to provide moneys to fulfill such 20795  
guarantees and covenants, and covenants restricting the 20796  
aggregate amount of guarantees that may be contracted under this 20797  
section and obligations that may be issued under section 151.07 20798  
of the Revised Code, and terms pertinent to either, to better 20799  
secure the parties guaranteed. 20800

(C) The director of the office may fix service charges for 20801  
making a guarantee. Such charges shall be payable at such times 20802  
and place and in such amounts and manner as may be prescribed by 20803  
the director. Moneys received from such charges shall be 20804  
credited to the coal research and development bond service fund. 20805

(D) Any guaranteed parties under this section, by any 20806  
suitable form of legal proceedings and except to the extent that 20807  
their rights are restricted by the guarantee documents, may 20808  
protect and enforce any rights under the laws of this state or 20809  
granted by such guarantee or guarantee documents. Such rights 20810  
include the right to compel the performance of all duties of the 20811  
office required by this section or the guarantee or guarantee 20812  
documents; and in the event of default with respect to the 20813  
payment of any guarantees, to apply to a court having 20814  
jurisdiction of the cause to appoint a receiver to receive and 20815  
administer the moneys pledged to such guarantee with full power 20816  
to pay, and to provide for payment of, such guarantee, and with 20817

such powers, subject to the direction of the court, as are 20818  
accorded receivers in general equity cases, excluding any power 20819  
to pledge or apply additional revenues or receipts or other 20820  
income or moneys of this state. Each duty of the office and its 20821  
director and employees required or undertaken under this section 20822  
or a guarantee made under this section is hereby established as 20823  
a duty of the office and of its director and each such employee 20824  
having authority to perform such duty, specifically enjoined by 20825  
the law resulting from an office, trust, or station within the 20826  
meaning of section 2731.01 of the Revised Code. The persons who 20827  
are at the time the director of the office, or its employees, 20828  
are not liable in their personal capacities on any guarantees or 20829  
contracts to make guarantees by the director. 20830

**Sec. 1555.06.** Upon application by the director of the Ohio 20831  
coal development office with the approval of the director of 20832  
housing and development, the controlling board, from 20833  
appropriations available to the board, may provide funds for 20834  
surveys or studies by the office of any proposed coal research 20835  
and development project subject to repayment by the office from 20836  
funds available to it, within the time fixed by the board. Funds 20837  
to be repaid shall be charged by the office to the appropriate 20838  
coal research and development project and the amount thereof 20839  
shall be a cost of the project. This section does not abrogate 20840  
the authority of the controlling board to otherwise provide 20841  
funds for use by the office in the exercise of the powers 20842  
granted to it by this chapter. 20843

**Sec. 1555.08.** (A) Subject to the limitations provided in 20844  
Section 15 of Article VIII, Ohio Constitution, the commissioners 20845  
of the sinking fund, upon certification by the director of the 20846  
Ohio coal development office of the amount of moneys or 20847  
additional moneys needed in the coal research and development 20848

fund for the purpose of making grants or loans for allowable 20849  
costs, or needed for capitalized interest, for funding reserves, 20850  
and for paying costs and expenses incurred in connection with 20851  
the issuance, carrying, securing, paying, redeeming, or 20852  
retirement of the obligations or any obligations refunded 20853  
thereby, including payment of costs and expenses relating to 20854  
letters of credit, lines of credit, insurance, put agreements, 20855  
standby purchase agreements, indexing, marketing, remarketing 20856  
and administrative arrangements, interest swap or hedging 20857  
agreements, and any other credit enhancement, liquidity, 20858  
remarketing, renewal, or refunding arrangements, all of which 20859  
are authorized by this section, or providing moneys for loan 20860  
guarantees, shall issue obligations of the state under this 20861  
section in amounts authorized by the general assembly; provided 20862  
that such obligations may be issued to the extent necessary to 20863  
satisfy the covenants in contracts of guarantee made under 20864  
section 1555.05 of the Revised Code to issue obligations to meet 20865  
such guarantees, notwithstanding limitations otherwise 20866  
applicable to the issuance of obligations under this section 20867  
except the one-hundred-million-dollar limitation provided in 20868  
Section 15 of Article VIII, Ohio Constitution. The proceeds of 20869  
such obligations, except for the portion to be deposited in the 20870  
coal research and development bond service fund as may be 20871  
provided in the bond proceedings, shall as provided in the bond 20872  
proceedings be deposited in the coal research and development 20873  
fund. The commissioners of the sinking fund may appoint 20874  
trustees, paying agents, and transfer agents and may retain the 20875  
services of financial advisors, accounting experts, and 20876  
attorneys, and retain or contract for the services of marketing, 20877  
remarketing, indexing, and administrative agents, other 20878  
consultants, and independent contractors, including printing 20879  
services, as are necessary in their judgment to carry out this 20880

section. 20881

(B) The full faith and credit of the state of Ohio is 20882  
hereby pledged to obligations issued under this section. The 20883  
right of the holders and owners to payment of bond service 20884  
charges is limited to all or that portion of the moneys pledged 20885  
thereto pursuant to the bond proceedings in accordance with this 20886  
section, and each such obligation shall bear on its face a 20887  
statement to that effect. 20888

(C) Obligations shall be authorized by resolution of the 20889  
commissioners of the sinking fund on request of the director of 20890  
the Ohio coal development office as provided in section 1555.02 20891  
of the Revised Code and the bond proceedings shall provide for 20892  
the purpose thereof and the principal amount or amounts, and 20893  
shall provide for or authorize the manner or agency for 20894  
determining the principal maturity or maturities, not exceeding 20895  
forty years from the date of issuance, the interest rate or 20896  
rates or the maximum interest rate, the date of the obligations 20897  
and the dates of payment of interest thereon, their 20898  
denomination, and the establishment within or without the state 20899  
of a place or places of payment of bond service charges. 20900  
Sections 9.98 to 9.983 of the Revised Code apply to obligations 20901  
issued under this section. The purpose of such obligations may 20902  
be stated in the bond proceedings in terms describing the 20903  
general purpose or purposes to be served. The bond proceedings 20904  
shall also provide, subject to the provisions of any other 20905  
applicable bond proceedings, for the pledge of all, or such part 20906  
as the commissioners of the sinking fund may determine, of the 20907  
moneys credited to the coal research and development bond 20908  
service fund to the payment of bond service charges, which 20909  
pledges may be made either prior or subordinate to other 20910  
expenses, claims, or payments and may be made to secure the 20911

obligations on a parity with obligations theretofore or 20912  
thereafter issued, if and to the extent provided in the bond 20913  
proceedings. The moneys so pledged and thereafter received by 20914  
the state are immediately subject to the lien of such pledge 20915  
without any physical delivery thereof or further act, and the 20916  
lien of any such pledges is valid and binding against all 20917  
parties having claims of any kind against the state or any 20918  
governmental agency of the state, irrespective of whether such 20919  
parties have notice thereof, and shall create a perfected 20920  
security interest for all purposes of Chapter 1309. of the 20921  
Revised Code, without the necessity for separation or delivery 20922  
of funds or for the filing or recording of the bond proceedings 20923  
by which such pledge is created or any certificate, statement, 20924  
or other document with respect thereto; and the pledge of such 20925  
moneys is effective and the money therefrom and thereof may be 20926  
applied to the purposes for which pledged without necessity for 20927  
any act of appropriation. Every pledge, and every covenant and 20928  
agreement made with respect thereto, made in the bond 20929  
proceedings may therein be extended to the benefit of the owners 20930  
and holders of obligations authorized by this section, and to 20931  
any trustee therefor, for the further security of the payment of 20932  
the bond service charges. 20933

(D) The bond proceedings may contain additional provisions 20934  
as to: 20935

(1) The redemption of obligations prior to maturity at the 20936  
option of the commissioners of the sinking fund at such price or 20937  
prices and under such terms and conditions as are provided in 20938  
the bond proceedings; 20939

(2) Other terms of the obligations; 20940

(3) Limitations on the issuance of additional obligations; 20941



(4) The terms of any trust agreement or indenture securing the obligations or under which the obligations may be issued; 20942  
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(5) The deposit, investment, and application of the coal research and development bond service fund, and the safeguarding of moneys on hand or on deposit, without regard to Chapter 131. or 135. of the Revised Code, but subject to any special provisions of this chapter, with respect to particular moneys; provided, that any bank or trust company which acts as depository of any moneys in the fund may furnish such indemnifying bonds or may pledge such securities as required by the commissioners of the sinking fund; 20944  
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(6) Any other provision of the bond proceedings being binding upon the commissioners of the sinking fund, or such other body or person as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; 20953  
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(7) Any provision which may be made in a trust agreement or indenture; 20958  
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(8) Any other or additional agreements with the holders of the obligations, or the trustee therefor, relating to the obligations or the security therefor, including the assignment of mortgages or other security obtained or to be obtained for loans under this chapter. 20960  
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(E) The obligations may have the great seal of the state or a facsimile thereof affixed thereto or printed thereon. The obligations shall be signed by such members of the commissioners of the sinking fund as are designated in the resolution authorizing the obligations or bear the facsimile signatures of such members. Any coupons attached to the obligations shall bear 20965  
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the facsimile signature of the treasurer of state. Any 20971  
obligations may be executed by the persons who, on the date of 20972  
execution, are the commissioners although on the date of such 20973  
bonds the persons were not the commissioners. Any coupons may be 20974  
executed by the person who, on the date of execution, is the 20975  
treasurer of state although on the date of such coupons the 20976  
person was not the treasurer of state. In case any officer or 20977  
commissioner whose signature or a facsimile of whose signature 20978  
appears on any such obligations or any coupons ceases to be such 20979  
officer or commissioner before delivery thereof, such signature 20980  
or facsimile is nevertheless valid and sufficient for all 20981  
purposes as if the individual had remained such officer or 20982  
commissioner until such delivery; and in case the seal to be 20983  
affixed to obligations has been changed after a facsimile of the 20984  
seal has been imprinted on such obligations, such facsimile seal 20985  
shall continue to be sufficient as to such obligations and 20986  
obligations issued in substitution or exchange therefor. 20987

(F) All obligations except loan guarantees are negotiable 20988  
instruments and securities under Chapter 1308. of the Revised 20989  
Code, subject to the provisions of the bond proceedings as to 20990  
registration. The obligations may be issued in coupon or in 20991  
registered form, or both, as the commissioners of the sinking 20992  
fund determine. Provision may be made for the registration of 20993  
any obligations with coupons attached thereto as to principal 20994  
alone or as to both principal and interest, their exchange for 20995  
obligations so registered, and for the conversion or 20996  
reconversion into obligations with coupons attached thereto of 20997  
any obligations registered as to both principal and interest, 20998  
and for reasonable charges for such registration, exchange, 20999  
conversion, and reconversion. 21000

(G) Obligations may be sold at public sale or at private 21001

sale, as determined in the bond proceedings. 21002

(H) Pending preparation of definitive obligations, the 21003  
commissioners of the sinking fund may issue interim receipts or 21004  
certificates which shall be exchanged for such definitive 21005  
obligations. 21006

(I) In the discretion of the commissioners of the sinking 21007  
fund, obligations may be secured additionally by a trust 21008  
agreement or indenture between the commissioners and a corporate 21009  
trustee, which may be any trust company or bank having a place 21010  
of business within the state. Any such agreement or indenture 21011  
may contain the resolution authorizing the issuance of the 21012  
obligations, any provisions that may be contained in any bond 21013  
proceedings, and other provisions that are customary or 21014  
appropriate in an agreement or indenture of such type, 21015  
including, but not limited to: 21016

(1) Maintenance of each pledge, trust agreement, 21017  
indenture, or other instrument comprising part of the bond 21018  
proceedings until the state has fully paid the bond service 21019  
charges on the obligations secured thereby, or provision 21020  
therefor has been made; 21021

(2) In the event of default in any payments required to be 21022  
made by the bond proceedings, or any other agreement of the 21023  
commissioners of the sinking fund made as a part of the contract 21024  
under which the obligations were issued, enforcement of such 21025  
payments or agreement by mandamus, the appointment of a 21026  
receiver, suit in equity, action at law, or any combination of 21027  
the foregoing; 21028

(3) The rights and remedies of the holders of obligations 21029  
and of the trustee, and provisions for protecting and enforcing 21030

them, including limitations on rights of individual holders of obligations; 21031  
21032

(4) The replacement of any obligations that become mutilated or are destroyed, lost, or stolen; 21033  
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(5) Such other provisions as the trustee and the commissioners of the sinking fund agree upon, including limitations, conditions, or qualifications relating to any of the foregoing. 21035  
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(J) Any holder of obligations or a trustee under the bond proceedings, except to the extent that the holder's rights are restricted by the bond proceedings, may by any suitable form of legal proceedings protect and enforce any rights under the laws of this state or granted by such bond proceedings. Such rights include the right to compel the performance of all duties of the commissioners of the sinking fund, the department of housing and development, or the Ohio coal development office required by this chapter and Chapter 1551. of the Revised Code or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any bond service charges on any obligations or in the performance of any covenant or agreement on the part of the commissioners, the department, or the office in the bond proceedings, to apply to a court having jurisdiction of the cause to appoint a receiver to receive and administer the moneys pledged, other than those in the custody of the treasurer of state, that are pledged to the payment of the bond service charges on such obligations or that are the subject of the covenant or agreement, with full power to pay, and to provide for payment of bond service charges on, such obligations, and with such powers, subject to the direction of the court, as are accorded receivers in general equity cases, 21039  
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excluding any power to pledge additional revenues or receipts or 21061  
other income or moneys of the commissioners of the sinking fund 21062  
or the state or governmental agencies of the state to the 21063  
payment of such principal and interest and excluding the power 21064  
to take possession of, mortgage, or cause the sale or otherwise 21065  
dispose of any project. 21066

Each duty of the commissioners of the sinking fund and 21067  
their employees, and of each governmental agency and its 21068  
officers, members, or employees, undertaken pursuant to the bond 21069  
proceedings or any grant, loan, or loan guarantee agreement made 21070  
under authority of this chapter, and in every agreement by or 21071  
with the commissioners, is hereby established as a duty of the 21072  
commissioners, and of each such officer, member, or employee 21073  
having authority to perform such duty, specifically enjoined by 21074  
the law resulting from an office, trust, or station within the 21075  
meaning of section 2731.01 of the Revised Code. 21076

The persons who are at the time the commissioners of the 21077  
sinking fund, or their employees, are not liable in their 21078  
personal capacities on any obligations issued by the 21079  
commissioners or any agreements of or with the commissioners. 21080

(K) Obligations issued under this section are lawful 21081  
investments for banks, societies for savings, savings and loan 21082  
associations, deposit guarantee associations, trust companies, 21083  
trustees, fiduciaries, insurance companies, including domestic 21084  
for life and domestic not for life, trustees or other officers 21085  
having charge of sinking and bond retirement or other special 21086  
funds of political subdivisions and taxing districts of this 21087  
state, the commissioners of the sinking fund of the state, the 21088  
administrator of workers' compensation, the state teachers 21089  
retirement system, the public employees retirement system, the 21090

school employees retirement system, and the Ohio police and fire 21091  
pension fund, notwithstanding any other provisions of the 21092  
Revised Code or rules adopted pursuant thereto by any 21093  
governmental agency of the state with respect to investments by 21094  
them, and are also acceptable as security for the deposit of 21095  
public moneys. 21096

(L) If the law or the instrument creating a trust pursuant 21097  
to division (I) of this section expressly permits investment in 21098  
direct obligations of the United States or an agency of the 21099  
United States, unless expressly prohibited by the instrument, 21100  
such moneys also may be invested in no-front-end-load money 21101  
market mutual funds consisting exclusively of obligations of the 21102  
United States or an agency of the United States and in 21103  
repurchase agreements, including those issued by the fiduciary 21104  
itself, secured by obligations of the United States or an agency 21105  
of the United States; and in collective investment funds 21106  
established in accordance with section 1111.14 of the Revised 21107  
Code and consisting exclusively of any such securities, 21108  
notwithstanding division (A)(1)(c) of that section. The income 21109  
from such investments shall be credited to such funds as the 21110  
commissioners of the sinking fund determine, and such 21111  
investments may be sold at such times as the commissioners 21112  
determine or authorize. 21113

(M) Provision may be made in the applicable bond 21114  
proceedings for the establishment of separate accounts in the 21115  
bond service fund and for the application of such accounts only 21116  
to the specified bond service charges on obligations pertinent 21117  
to such accounts and bond service fund and for other accounts 21118  
therein within the general purposes of such fund. Moneys to the 21119  
credit of the bond service fund shall be disbursed on the order 21120  
of the treasurer of state; provided, that no such order is 21121

required for the payment from the bond service fund when due of 21122  
bond service charges on obligations. 21123

(N) The commissioners of the sinking fund may pledge all, 21124  
or such portion as they determine, of the receipts of the bond 21125  
service fund to the payment of bond service charges on 21126  
obligations issued under this section, and for the establishment 21127  
and maintenance of any reserves, as provided in the bond 21128  
proceedings, and make other provisions therein with respect to 21129  
pledged receipts as authorized by this chapter, which provisions 21130  
control notwithstanding any other provisions of law pertaining 21131  
thereto. 21132

(O) The commissioners of the sinking fund may covenant in 21133  
the bond proceedings, and any such covenants control 21134  
notwithstanding any other provision of law, that the state and 21135  
applicable officers and governmental agencies of the state, 21136  
including the general assembly, so long as any obligations are 21137  
outstanding, shall: 21138

(1) Maintain statutory authority for and cause to be 21139  
levied and collected taxes so that the pledged receipts are 21140  
sufficient in amount to meet bond service charges, and the 21141  
establishment and maintenance of any reserves and other 21142  
requirements provided for in the bond proceedings, and, as 21143  
necessary, to meet covenants contained in any loan guarantees 21144  
made under this chapter; 21145

(2) Take or permit no action, by statute or otherwise, 21146  
that would impair the exemption from federal income taxation of 21147  
the interest on the obligations. 21148

(P) All moneys received by or on account of the state and 21149  
required by the applicable bond proceedings, consistent with 21150

this section, to be deposited, transferred, or credited to the 21151  
coal research and development bond service fund, and all other 21152  
moneys transferred or allocated to or received for the purposes 21153  
of the fund, shall be credited to such fund and to any separate 21154  
accounts therein, subject to applicable provisions of the bond 21155  
proceedings, but without necessity for any act of appropriation. 21156  
During the period beginning with the date of the first issuance 21157  
of obligations and continuing during such time as any such 21158  
obligations are outstanding, and so long as moneys in the bond 21159  
service fund are insufficient to pay all bond service charges on 21160  
such obligations becoming due in each year, a sufficient amount 21161  
of moneys of the state are committed and shall be paid to the 21162  
bond service fund in each year for the purpose of paying the 21163  
bond service charges becoming due in that year without necessity 21164  
for further act of appropriation for such purpose. The bond 21165  
service fund is a trust fund and is hereby pledged to the 21166  
payment of bond service charges to the extent provided in the 21167  
applicable bond proceedings, and payment thereof from such fund 21168  
shall be made or provided for by the treasurer of state in 21169  
accordance with such bond proceedings without necessity for any 21170  
act of appropriation. All investment earnings of the fund shall 21171  
be credited to the fund. 21172

(Q) For purposes of establishing the limitations contained 21173  
in Section 15 of Article VIII, Ohio Constitution, the "principal 21174  
amount" refers to the aggregate of the offering price of the 21175  
bonds or notes. "Principal amount" does not refer to the 21176  
aggregate value at maturity or redemption of the bonds or notes. 21177

(R) This section applies only with respect to obligations 21178  
issued and delivered prior to September 30, 2000. 21179

**Sec. 1555.17.** All final actions of the director of the 21180



Ohio coal development office shall be journalized and such 21181  
journal shall be open to inspection of the public at all 21182  
reasonable times. Any materials or data, to the extent that they 21183  
consist of trade secrets, as defined in section 1333.61 of the 21184  
Revised Code, or other proprietary information, that are 21185  
submitted or made available to, or received by, the department 21186  
of housing and development or the director of the Ohio coal 21187  
development office, in connection with agreements for assistance 21188  
entered into under this chapter or Chapter 1551. of the Revised 21189  
Code, or any information taken from those materials or data, are 21190  
not public records for the purposes of section 149.43 of the 21191  
Revised Code. 21192

**Sec. 1728.01.** As used in sections 1728.01 to 1728.13 of 21193  
the Revised Code: 21194

(A) "Governing body" means, in the case of a municipal 21195  
corporation, the city council or legislative authority. 21196

(B) "Community urban redevelopment corporation" means a 21197  
corporation qualified under Chapter 1728. of the Revised Code, 21198  
to acquire, construct, operate, and maintain a project 21199  
hereunder, or to acquire, operate, and maintain a project 21200  
constructed by a corporation so qualified under Chapter 1728. of 21201  
the Revised Code, and the term "corporation" when used within 21202  
Chapter 1728. of the Revised Code, shall be understood to be a 21203  
contraction of the term "community urban redevelopment 21204  
corporation" except when the context indicates otherwise. 21205

(C) "Impacted city" means a municipal corporation that 21206  
meets the requirements of either division (C) (1) or (2) of this 21207  
section: 21208

(1) In attempting to cope with the problems of 21209

urbanization, to create or preserve jobs and employment 21210  
opportunities, and to improve the economic welfare of the people 21211  
of the municipal corporation, the municipal corporation has at 21212  
some time: 21213

(a) Taken affirmative action by its legislative body to 21214  
permit the construction of housing by a metropolitan housing 21215  
authority organized pursuant to sections 3735.27 to 3735.39 of 21216  
the Revised Code within its corporate boundaries or to permit 21217  
such a metropolitan housing authority to lease dwelling units 21218  
within its corporate boundaries; and 21219

(b) Been certified by the director of the department of 21220  
housing and development that a workable program for community 21221  
improvement (which shall include an official plan of action for 21222  
effectively dealing with the problem of urban slums and blight 21223  
within the community and for the establishment and preservation 21224  
of a well-planned community with well-organized residential 21225  
neighborhoods of decent homes and suitable living environment 21226  
for adequate family life) for utilizing appropriate private and 21227  
public resources to eliminate, and to prevent the development or 21228  
spread of, slums and urban blight, to encourage needed urban 21229  
rehabilitation, to provide for the redevelopment of blighted, 21230  
deteriorated, or slum areas, to undertake such activities or 21231  
other feasible community activities as may be suitably employed 21232  
to achieve the objectives of such a program has been adopted. A 21233  
determination by the United States that the impacted city's 21234  
workable program meets the federal workable program requirements 21235  
shall be sufficient for the director's certification. 21236

(2) Been declared a major disaster area, or part of a 21237  
major disaster area, pursuant to the "Disaster Relief Act of 21238  
1970," 84 Stat. 1744, 42 U.S.C.A. 4401, as now or hereafter 21239

amended, and has been extensively damaged or destroyed by a 21240  
major disaster, provided that impacted city status obtained 21241  
pursuant to division (C) (2) of this section lasts for only a 21242  
limited period from the date of the declaration, as determined 21243  
by the rules promulgated pursuant to division (G) of section 21244  
122.06 of the Revised Code, but in the event that an impacted 21245  
city, while qualified under such division, enters into a 21246  
financial agreement with a community urban redevelopment 21247  
corporation pursuant to section 1728.07 of the Revised Code, a 21248  
loss of certification under such rules shall not affect that 21249  
agreement or the project to which it relates. 21250

(D) "Community development plan" means a plan, as it 21251  
exists from time to time, for the redevelopment and renewal of a 21252  
blighted area, which plan shall conform to the general plan for 21253  
the municipality, and shall be sufficiently complete to indicate 21254  
such land acquisition, demolition, and removal of structures, 21255  
redevelopment, improvements, and rehabilitation as may be 21256  
proposed to be carried out in such blighted area, zoning, and 21257  
any planning changes, land uses, maximum densities, and building 21258  
requirements. 21259

(E) "Blighted area" has the meaning defined in section 21260  
1.08 of the Revised Code. 21261

(F) "Project" means: 21262

(1) As to blighted areas within all municipal 21263  
corporations, the undertaking and execution of the redevelopment 21264  
of a blighted area by a community urban redevelopment 21265  
corporation, in whole or in part, pursuant to a community 21266  
development plan approved by the governing body of the municipal 21267  
corporation in which such blighted area is situated and in 21268  
accordance with an agreement for the sale or lease of all or a 21269

portion of the land concerned in such redevelopment to the 21270  
corporation by a municipal corporation, or agency, or authority 21271  
including the work to be done in reference thereto, the 21272  
designation of the particular proposed buildings to be 21273  
constructed and their uses and purposes, the landscaping of the 21274  
premises, the streets and access roads, recreational facilities, 21275  
if any, the furnishing of the public utilities, the financial 21276  
arrangements, and the terms and conditions of the proposed 21277  
municipal corporation and approval; and 21278

(2) In addition as to blighted areas within impacted 21279  
cities, the undertaking and activities of a community urban 21280  
redevelopment corporation in a blighted area for the elimination 21281  
and for the prevention of the development or spread of blight 21282  
pursuant to a community development plan approved by the 21283  
governing body of the impacted city and to the extent agreed to 21284  
by the governing body of the impacted city in the financial 21285  
agreement provided for in section 1728.07 of the Revised Code 21286  
and may involve clearance and redevelopment, or rehabilitation 21287  
or conservation or any combination or part thereof, in 21288  
accordance with such community development plan, and such 21289  
aforesaid undertakings and activities may include acquisition of 21290  
a blighted area or portion by purchase or otherwise, and 21291  
demolition and removal of buildings and improvements. 21292

(G) "Total project unit cost" or "total project cost" 21293  
means the aggregate of the following items as related to any 21294  
unit of a project if the project is to be undertaken in units or 21295  
to the total project if the project is not to be undertaken in 21296  
units: 21297

(1) Cost of the land to the community urban redevelopment 21298  
corporation; 21299

|  |                         |
|--|-------------------------|
| (2) Architects', engineers', and attorneys' fees paid or payable by the corporation in connection with the planning, construction, and financing of the project; | 21300<br>21301<br>21302 |
| (3) Surveying and testing charges in connection therewith;   | 21303                   |
| (4) Actual construction cost as certified by the architect, including the cost of any preparation of the site undertaken at the corporation's expense;           | 21304<br>21305<br>21306 |
| (5) Insurance, interest, and finance costs during construction;  | 21307<br>21308          |
| (6) Cost of obtaining initial permanent financing;   | 21309                   |
| (7) Commissions and other expenses paid or payable in connection with initial leasing;   | 21310<br>21311          |
| (8) Real estate taxes and assessments during the construction period;  | 21312<br>21313          |
| (9) Developer's overhead based on a percentage of division (G) (4) of this section, to be computed in accordance with the following schedule:                    | 21314<br>21315<br>21316 |
|  | 21317                   |

|   | 1                            | 2  |
|---|------------------------------|--|
| A | \$500,000 or less            | - 10 per cent  |
| B | 500,001 through \$ 1,000,000 | - \$50,000 plus 8 per cent on excess above \$500,000 |
| C | 1,000,001 through 2,000,000  | - 90,000 plus 7 per cent on excess above 1,000,000   |

|   |                              |   |
|---|------------------------------|---|
| D | 2,000,001 through 3,500,000  | - 160,000 plus 5.6667 per cent<br>on excess above 2,000,000 |
| E | 3,500,001 through 5,500,000  | - 245,000 plus 4.25 per cent on<br>excess above 3,500,000   |
| F | 5,500,001 through 10,000,000 | - 330,000 plus 3.7778 per cent<br>on excess above 5,500,000 |
| G | Over 10,000,000              | - 5 per cent  |

(H) "Annual gross revenue" means the total annual gross 21318  
rental and other income of a community urban redevelopment 21319  
corporation from the project. If in any leasing, any real estate 21320  
taxes or assessments on property included in the project, any 21321  
premiums for fire or other insurance on or concerning property 21322  
included in the project, or any operating or maintenance 21323  
expenses ordinarily paid by a landlord are to be paid by the 21324  
tenant, such payments shall be computed and deemed to be part of 21325  
the rent and shall be included in the annual gross revenue. The 21326  
financial agreement provided for in section 1728.07 of the 21327  
Revised Code shall establish the method of computing such 21328  
additional revenue, and may establish a method of arbitration 21329  
where either the landlord or the tenant disputes the amount of 21330  
such payments so included in the annual gross revenue. 21331

(I) "Major disaster" means any tornado, storm, flood, high 21332  
water, wind-driven water, tidal wave, earthquake, fire, or other 21333  
catastrophe. 21334

**Sec. 1728.07.** Every approved project shall be evidenced by 21335  
a financial agreement between the municipal corporation and the 21336  
community urban redevelopment corporation. Such agreement shall 21337

be prepared by the community urban redevelopment corporation and 21338  
submitted as a separate part of its application for project 21339  
approval. 21340

The financial agreement shall be in the form of a contract 21341  
requiring full performance within twenty years from the date of 21342  
completion of the project and shall, as a minimum, include the 21343  
following: 21344

(A) That all improvements in the project to be constructed 21345  
or acquired by the corporation shall be exempt from taxation, 21346  
subject to section 1728.10 of the Revised Code; 21347

(B) That the corporation shall make payments in lieu of 21348  
real estate taxes not less than the amount as provided by 21349  
section 1728.11 of the Revised Code; or if the municipal 21350  
corporation is an impacted city, not less than the amount as 21351  
provided by section 1728.111 of the Revised Code; 21352

(C) That the corporation, its successors and assigns, 21353  
shall use, develop, and redevelop the real property of the 21354  
project in accordance with, and for the period of, the community 21355  
development plan approved by the governing body of the municipal 21356  
corporation for the blighted area in which the project is 21357  
situated and shall so bind its successors and assigns by 21358  
appropriate agreements and covenants running with the land 21359  
enforceable by the municipal corporation. 21360

(D) If the municipal corporation is an impacted city, the 21361  
extent of the undertakings and activities of the corporation for 21362  
the elimination and for the prevention of the development or 21363  
spread of blight. 21364

(E) That the corporation or the municipal corporation, or 21365  
both, shall provide for carrying out relocation of persons, 21366

families, business concerns, and others displaced by the 21367  
project, pursuant to a relocation plan, including the method for 21368  
the relocation of residents in decent, safe, and sanitary 21369  
dwelling accommodations, and reasonable moving costs, determined 21370  
to be feasible by the governing body of the municipal 21371  
corporation. Where the relocation plan is carried out by the 21372  
corporation, its officers, employees, agents, or lessees, the 21373  
municipal corporation shall enforce and supervise the 21374  
corporation's compliance with the relocation plan. If the 21375  
corporation refuses or fails to comply with the relocation plan 21376  
and the municipal corporation fails or refuses to enforce 21377  
compliance with such plan, the director of housing and 21378  
development may request the attorney general to commence a civil 21379  
action against the municipality and the corporation to require 21380  
compliance with such relocation plan. Prior to requesting action 21381  
by the attorney general the director shall give notice of the 21382  
proposed action to the municipality and the corporation, provide 21383  
an opportunity to such municipality and corporation for 21384  
discussions on the matter, and allow a reasonable time in which 21385  
the corporation may begin compliance with the relocation plan, 21386  
or the municipality may commence enforcement of the relocation 21387  
plan. 21388

(F) That the corporation shall submit annually, within 21389  
ninety days after the close of its fiscal year, its auditor's 21390  
reports to the mayor and governing body of the municipal 21391  
corporation; 21392

(G) That the corporation shall, upon request, permit 21393  
inspection of property, equipment, buildings, and other 21394  
facilities of the corporation, and also permit examination and 21395  
audit of its books, contracts, records, documents, and papers by 21396  
authorized representatives of the municipal corporation; 21397



(H) That in the event of any dispute between the parties 21398  
the matters in controversy shall be resolved by arbitration in 21399  
the manner provided therein; 21400

(I) That operation under the financial agreement is 21401  
terminable by the corporation in the manner provided by Chapter 21402  
1728. of the Revised Code; 21403

(J) That the corporation shall, at all times prior to the 21404  
expiration or other termination of the financial agreement, 21405  
remain bound by Chapter 1728. of the Revised Code; 21406

(K) Modifications of the financial agreement may from time 21407  
to time be made by agreement between the governing body of the 21408  
municipal corporation and the community urban redevelopment 21409  
corporation. 21410

**Sec. 3326.02.** There is hereby established the STEM 21411  
committee of the department of education and workforce 21412  
consisting of the following members: 21413

(A) The director of education and workforce, or the 21414  
director's designee; 21415

(B) The chancellor of higher education, or the 21416  
chancellor's designee; 21417

(C) The director of housing and development, or the 21418  
director's designee; 21419

(D) Four members of the public, two of whom shall be 21420  
appointed by the governor, one of whom shall be appointed by the 21421  
speaker of the house of representatives, and one of whom shall 21422  
be appointed by the president of the senate. Members of the 21423  
public shall be appointed based on their expertise in business 21424  
or in STEM fields. 21425

All members of the committee appointed under division (D) 21426  
of this section shall serve at the pleasure of their appointing 21427  
authority. 21428

If a member listed in divisions (A) to (C) of this section 21429  
elects to assign a designee to participate in committee business 21430  
on the member's behalf, the member shall assign that designation 21431  
to a single person for the time period in which the designation 21432  
is effective. 21433

Members of the committee shall receive no compensation for 21434  
their services. The department of education and workforce shall 21435  
provide administrative support for the committee. 21436

**Sec. 3327.17.** The department of housing and development 21437  
shall establish a biodiesel school bus program under which the 21438  
director of housing and development shall make grants to school 21439  
districts that use biodiesel fuel for pupil transportation to 21440  
help offset incremental costs incurred by using biodiesel 21441  
instead of one hundred per cent petroleum diesel. 21442

As used in this section, "biodiesel" has the same meaning 21443  
as in section 122.075 of the Revised Code. 21444

**Sec. 3333.373.** (A) The scholarship rules advisory 21445  
committee is hereby established. The committee shall consist of 21446  
the chancellor of higher education or the chancellor's designee, 21447  
the treasurer of state or the treasurer of state's designee, the 21448  
director of housing and development or the director's designee, 21449  
one state senator appointed by the president of the senate, one 21450  
state representative appointed by the speaker of the house of 21451  
representatives, and two public members appointed by the 21452  
chancellor of higher education representing the interests of the 21453  
state-assisted eligible institutions and private nonprofit 21454

eligible institutions, respectively. 21455

(B) The committee shall provide recommendations to the 21456  
chancellor of higher education as to rules, criteria, and 21457  
guidelines necessary and appropriate to implement the 21458  
scholarship and fellowship programs created by sections 3333.37 21459  
to 3333.375 of the Revised Code. 21460

(C) The committee shall meet at least annually to review 21461  
the scholarship and fellowship programs guidelines; make 21462  
recommendations to amend, rescind, or modify the policy 21463  
guidelines; and approve scholarship and fellowship awards to 21464  
eligible students. 21465

(D) Sections 101.82 to 101.87 of the Revised Code do not 21466  
apply to this section. 21467

**Sec. 3333.50.** The chancellor of higher education, in 21468  
consultation with the governor and the department of housing and 21469  
development, shall develop a critical needs rapid response 21470  
system to respond quickly to critical workforce shortages in the 21471  
state. Not later than ninety days after a critical workforce 21472  
shortage is identified, the chancellor shall submit to the 21473  
governor a proposal for addressing the shortage through 21474  
initiatives of the department of higher education or 21475  
institutions of higher education. 21476

**Sec. 3366.01.** As used in this chapter, the following words 21477  
and terms have the following meanings unless the context 21478  
indicates a different meaning or intent: 21479

(A) "Bond proceedings" means the order, trust, agreement, 21480  
indenture and other agreements, or amendments and supplements to 21481  
the foregoing, or any one or more or combination thereof, 21482  
authorizing or providing for the terms and conditions applicable 21483

to, or providing for the issuance, security, or liquidity of, 21484  
obligations and the provisions contained in such obligations. 21485

(B) "Bond service charges" means principal, including 21486  
mandatory sinking fund requirements for retirement of 21487  
obligations, and interest, and redemption premium, if any, 21488  
required to be paid on obligations. 21489

(C) "Bond service fund" means the applicable fund and 21490  
accounts therein created in the bond proceedings for and pledged 21491  
to the payment of bond service charges, including all moneys and 21492  
investments, and earnings from investments, credited and to be 21493  
credited thereto. 21494

(D) "Costs of attendance" means all costs of a student 21495  
incurred in connection with a program of study at an eligible 21496  
institution, as determined by the institution, including 21497  
tuition; instructional fees; room and board; books, computers, 21498  
and supplies; and other related fees, charges, and expenses. 21499

(E) "Designated administrator" means, with respect to all 21500  
obligations issued prior to September 1, 1999, and to all 21501  
nonfederal education loans, the nonprofit corporation designated 21502  
on November 10, 1992, under division (D) of section 3351.07 of 21503  
the Revised Code to operate exclusively for charitable and 21504  
educational purposes by expanding access to higher education 21505  
financing programs for students and families in need of student 21506  
financial aid. For all other purposes, "designated 21507  
administrator" means the Ohio corporation that is a subsidiary 21508  
of the nonprofit corporation designated under division (D) of 21509  
section 3351.07 of the Revised Code and that has agreed to enter 21510  
into an administration agreement with the issuing authority and 21511  
the director of housing and development, or any other person 21512  
that enters into an administration agreement with the issuing 21513

authority and the director of housing and development. 21514

(F) "Education loan" means a loan made by an eligible 21515  
lender pursuant to the policy guidelines to or for the benefit 21516  
of a student for the purpose of financing part or all of the 21517  
student's costs of attendance. 21518

(G) "Eligible borrower" means any of the following: 21519

(1) Individuals who are residents of the state, and who 21520  
are attending and are in good standing in, or who have been 21521  
accepted for attendance at, any eligible institution located in 21522  
this state or elsewhere, on a part-time or full-time basis, to 21523  
pursue an associate, baccalaureate, or advanced degree or a 21524  
nursing diploma; 21525

(2) Individuals who reside outside the state and who have 21526  
been accepted for attendance at, or who are attending and are in 21527  
good standing in, any eligible institution located in this 21528  
state, on a part-time or full-time basis, to pursue an 21529  
associate, baccalaureate, or advanced degree or a nursing 21530  
diploma; 21531

(3) Individuals who are parents or legal guardians of, or 21532  
other persons, as set forth in the policy guidelines, borrowing 21533  
under an education loan for the benefit of individuals meeting 21534  
requirements set forth in division (G)(1) or (2) of this 21535  
section, in order to assist them in paying costs of attendance. 21536

(H)(1) "Eligible institution" means an institution 21537  
described in any of divisions (H)(1)(a), (b), (c), or (d) of 21538  
this section that satisfies all of the requirements set forth in 21539  
divisions (H)(2), (3), and (4) of this section. 21540

(a) The institution is a state-assisted post-secondary 21541  
educational institution within this state. 21542

(b) The institution is a nonprofit institution within this 21543  
state having a certificate of authorization from the Ohio board 21544  
of regents pursuant to Chapter 1713. of the Revised Code. 21545

(c) The institution is a post-secondary educational 21546  
institution similar to one described in division (H) (1) (a) or 21547  
(b) of this section that is located outside this state and that 21548  
is similarly approved by the appropriate agency of that state. 21549

(d) The institution is a private institution exempt from 21550  
regulation under Chapter 3332. of the Revised Code as prescribed 21551  
in section 3333.046 of the Revised Code. 21552

(2) The institution is accredited by the appropriate 21553  
regional and, when appropriate, professional accrediting 21554  
associations within whose jurisdiction it falls. 21555

(3) The institution satisfies the eligibility requirements 21556  
for participation in the federal family education loan program 21557  
authorized under Title IV, Part B, of the "Higher Education Act 21558  
of 1965," 20 U.S.C.A. 1071 et seq., as amended, as long as that 21559  
program remains in existence. 21560

(4) The institution satisfies the other conditions set 21561  
forth in the policy guidelines. 21562

(I) "Eligible lender" means, with respect to lenders 21563  
making nonfederal education loans, a bank, national banking 21564  
association, savings bank, savings and loan association, or 21565  
credit union having an office in this state that satisfies the 21566  
criteria for eligible lenders established pursuant to the policy 21567  
guidelines. With respect to lenders making federal education 21568  
loans, "eligible lender" means any person that is permitted to 21569  
make loans under the federal family education loan program 21570  
authorized under Title IV, Part B, of the "Higher Education Act 21571

of 1965," 20 U.S.C.A. 1071 et seq., as amended; that has an 21572  
office in this state; and that satisfies the criteria for 21573  
eligible lenders established pursuant to the policy guidelines. 21574

(J) "Federal education loan" means an education loan that 21575  
is originated in compliance with the federal family education 21576  
loan program authorized under Title IV, Part B, of the "Higher 21577  
Education Act of 1965," 20 U.S.C.A. 1071 et seq., as amended. 21578

(K) "Governmental agency" means the state and any state 21579  
department, division, commission, institution, or authority; the 21580  
United States or any agency thereof; or any agency, commission, 21581  
or authority established pursuant to an interstate compact or 21582  
agreement; or any combination of the foregoing. 21583

(L) "Issuing authority" means the treasurer of state, or 21584  
the officer who by law performs the functions of the treasurer 21585  
of state. 21586

(M) "Nonfederal education loan" means any education loan 21587  
that is not a federal education loan. 21588

(N) "Obligations" means the bonds, notes, or securities of 21589  
this state issued by the issuing authority pursuant to this 21590  
chapter. 21591

(O) "Person" means any individual, corporation, business 21592  
trust, estate, trust, partnership, or association, any federal, 21593  
state, interstate, regional, or local governmental agency, any 21594  
subdivision of the state, or any combination of these. 21595

(P) "Pledged receipts" means, to the extent the following 21596  
are pledged by the bond proceedings for the payment of bond 21597  
service charges: all receipts representing moneys accruing from 21598  
or in connection with the repayment of education loans, 21599  
including interest and payments from any guarantee or insurance 21600

in respect to such education loans; accrued interest received 21601  
from the sale of obligations; the balances in the special funds; 21602  
income from the investment of the special funds; all right, 21603  
title, and interest of the state and the designated 21604  
administrator in the education loans and any guarantees or 21605  
insurance in respect thereof, and any money representing the 21606  
proceeds of obligations or any income from or interest on those 21607  
proceeds; or any other gifts, grants, donations, and pledges and 21608  
any income and receipts therefrom, available and pledged for the 21609  
payment of bond service charges. 21610

(Q) "Policy guidelines" means the rules adopted pursuant 21611  
to division (A) of section 3366.03 of the Revised Code. 21612

(R) "Proceeds loan" means the transfer, pursuant to a loan 21613  
agreement or agency agreement, of the proceeds of the 21614  
obligations, or the deposit of the proceeds of the obligations 21615  
with a trustee in trust under a trust agreement, indenture, or 21616  
other trust document under the bond proceedings pending their 21617  
disbursement for the purposes authorized by this chapter. 21618

(S) "Resident" means any student who would qualify as a 21619  
resident of this state for state subsidy and tuition surcharge 21620  
purposes under rules adopted by the Ohio board of regents under 21621  
section 3333.31 of the Revised Code. 21622

(T) "Special funds" or "funds" means the bond service fund 21623  
and any other funds, including reserve funds, created under the 21624  
bond proceedings, including all moneys and investments, and 21625  
earnings from investment, credited and to be credited thereto. 21626

(U) "Student" means an individual described in division 21627  
(G) (1) or (2) of this section who meets requirements established 21628  
under the policy guidelines. "Student" includes dependent and 21629



independent undergraduate, graduate, and professional students. 21630

(V) "Subdivision" has the same meaning as in division (MM) 21631  
of section 133.01 of the Revised Code. 21632

**Sec. 3366.03.** (A) In furtherance of the public policy and 21633  
purpose set forth in section 3366.02 of the Revised Code and to 21634  
implement that purpose, the director of housing and development, 21635  
with the approval of the issuing authority, shall adopt, amend, 21636  
or rescind rules, pursuant to Chapter 119. of the Revised Code, 21637  
establishing such policy guidelines as the director considers 21638  
necessary or appropriate to provide for creating a secondary 21639  
market for education loans as authorized by this chapter. The 21640  
policy guidelines shall include such provisions as the director 21641  
considers appropriate to further the public policy and purpose 21642  
set forth in section 3366.02 of the Revised Code. 21643

(B) The director of housing and development or the issuing 21644  
authority or both may: 21645

(1) Enter into agreements with any designated 21646  
administrator to provide for the proceeds loan for the purchase 21647  
of education loans on the secondary market; 21648

(2) Enter into agreements with any designated 21649  
administrator to provide for stimulating the making of education 21650  
loans through the ~~the~~ acquisition of such loans, in accordance 21651  
with the policy guidelines; and 21652

(3) Do all other acts and enter into contracts and execute 21653  
all instruments necessary or appropriate to carry out the 21654  
provisions of this chapter. 21655

(C) All expenses and obligations incurred by the issuing 21656  
authority or the director of housing and development in carrying 21657  
out duties and in exercising powers under this chapter shall be 21658

payable solely from, as appropriate, pledged receipts, moneys 21659  
from the sale of obligations, or any amounts contributed by the 21660  
designated administrator. This chapter does not authorize the 21661  
issuing authority to incur debt or bonded indebtedness of the 21662  
state, or to obligate or pledge any moneys other than pledged 21663  
receipts for the payment of any obligations. 21664

(D) The designated administrator, subject to the 21665  
applicable provisions of this chapter, shall purchase education 21666  
loans from eligible lenders directly or indirectly, with moneys 21667  
loaned or otherwise provided to it under this chapter from the 21668  
proceeds of obligations, which education loans are used by and 21669  
for students for paying costs of attendance at eligible 21670  
institutions. 21671

(E) In accordance with the policy guidelines, the 21672  
designated administrator shall do all of the following: 21673

(1) Specify the terms of and procedures for making, 21674  
selling, purchasing, servicing, and collecting those education 21675  
loans eligible for purchase under the guidelines; 21676

(2) Take such actions as may be necessary or appropriate 21677  
to establish the terms of, purchase, service or otherwise 21678  
administer, and collect any education loan; 21679

(3) With respect to those loans acquired pursuant to this 21680  
chapter, establish the fees including, without limitation, 21681  
origination and loan fees; charges; rates of interest; times of 21682  
payment of interest and principal; late charges; aggregate 21683  
amounts of education loans to be issued per year and in total; 21684  
eligibility and credit criteria of eligible borrowers; 21685  
refinancing or consolidation provisions; criteria for 21686  
participation by eligible lenders; criteria for allocating the 21687

distribution of education loans among students attending or 21688  
planning to attend different eligible institutions; terms of 21689  
sales and purchases of education loans; and other terms, 21690  
conditions, and provisions of and security for education loans. 21691

The designated administrator shall not purchase any 21692  
education loan unless the loan conforms to the policy 21693  
guidelines. 21694

(F) If the director of housing and development determines 21695  
that education loans are not being made in the amount or manner 21696  
anticipated, the designated administrator, with the consent of 21697  
the director, may enter into special arrangements with certain 21698  
eligible lenders pursuant to guidelines adopted under this 21699  
chapter to stimulate the provision of education loans. 21700

(G) The designated administrator may establish additional 21701  
procedures and set other terms and conditions not inconsistent 21702  
with the policy guidelines as may be necessary or appropriate in 21703  
connection with the program authorized under this chapter. 21704

(H) At least annually by a date specified by the director 21705  
of housing and development, the designated administrator shall 21706  
provide to the issuing authority and the director of housing and 21707  
development reports on the use of the proceeds of obligations. 21708

(I) For purposes of this chapter, any designated 21709  
administrator other than the nonprofit corporation designated 21710  
under division (D) of section 3351.07 of the Revised Code shall 21711  
be a person that maintains its principal place of business in 21712  
the state and that has as its principal business the making, 21713  
purchasing, holding, or selling of loans made to finance 21714  
individuals' cost of post-secondary education. 21715

**Sec. 3366.04.** (A) The issuing authority may issue 21716

obligations under this section to provide money to make proceeds 21717  
loans to the designated administrator for the purpose of 21718  
acquiring education loans, or needed for capitalized interest, 21719  
for funding reserves, and for paying costs and expenses incurred 21720  
in connection with the issuance, carrying, securing, paying, 21721  
redeeming, or retirement of the obligations or any obligations 21722  
refunded thereby, including payment of costs and expenses 21723  
relating to letters of credit, lines of credit, insurance, put 21724  
agreements, standby purchase agreements, indexing, marketing, 21725  
remarketing and administrative arrangements, interest swap or 21726  
hedging agreements, and any other credit enhancement facility as 21727  
defined in division (H) of section 133.01 of the Revised Code, 21728  
liquidity, remarketing, renewal, or refunding arrangements, all 21729  
of which are authorized by this section. The proceeds thereof 21730  
shall, as provided in the bond proceedings, be loaned, or 21731  
otherwise made available as a proceeds loan, to the designated 21732  
administrator. The issuing authority may appoint trustees, 21733  
paying agents, and transfer agents and may retain the services 21734  
of financial advisors, accounting experts, and attorneys, and 21735  
retain or contract for the services of marketing, remarketing, 21736  
indexing, and administrative agents, other consultants, and 21737  
independent contractors, including printing services, as are 21738  
necessary to carry out the provisions of this section. The costs 21739  
of such services are allowable costs payable from the proceeds 21740  
of such obligations. 21741

(B) The holders or owners of obligations shall have no 21742  
right to have taxes levied by the general assembly, or any 21743  
moneys other than pledged receipts obligated or pledged, and any 21744  
moneys other than pledged receipts shall not be obligated or 21745  
pledged, for the payment of bond service charges. The 21746  
obligations are not debts of the state, bond service charges are 21747

payable solely from the revenues and funds pledged as pledged 21748  
receipts for their payment, and the right of such holders and 21749  
owners to payment of bond service charges is limited to pledged 21750  
receipts as provided in the bond proceedings, and each such 21751  
obligation shall bear on its face a statement to that effect. No 21752  
money, including money from the general revenue fund, shall be 21753  
appropriated, obligated, or used to pay bond service charges or 21754  
the costs incurred in the administration of this chapter, other 21755  
than pledged receipts. 21756

(C) Obligations shall be authorized by order of the 21757  
issuing authority at the request of the designated administrator 21758  
and with the approval of the director of housing and 21759  
development, and the bond proceedings shall provide for the 21760  
purpose thereof and the principal amount or amounts, and shall 21761  
provide for or authorize the manner for determining the 21762  
principal maturity or maturities, the interest rate or rates or 21763  
the maximum interest rate, the date of the obligations and the 21764  
dates of payment of interest thereon, their denomination, and 21765  
the establishment within or outside this state of a place or 21766  
places of payment of bond service charges. Sections 9.98 to 21767  
9.983 of the Revised Code apply to obligations issued under this 21768  
section. The purpose of such obligations may be stated in the 21769  
bond proceedings in terms describing the general purpose to be 21770  
served. The bond proceedings shall also provide, subject to the 21771  
provisions of any other applicable bond proceedings, for the 21772  
pledge of, and the granting of a security interest in, all, or 21773  
such part as the issuing authority may determine, of the pledged 21774  
receipts to the payment of bond service charges, which pledge 21775  
may be made and security interest granted, subject to the 21776  
provisions of any applicable prior bond proceedings, either 21777  
prior to or on a parity with or subordinate to other expenses, 21778

claims, or payments, and may be made or granted to secure 21779  
obligations senior or subordinate to, or on a parity with, 21780  
obligations theretofore or thereafter issued, if and to the 21781  
extent provided in the bond proceedings. The pledged receipts so 21782  
pledged or subject to a security interest and thereafter 21783  
received by the issuing authority or the designated 21784  
administrator on behalf of the issuing authority or otherwise 21785  
received are immediately subject to such pledge and security 21786  
interest without any physical delivery thereof or further act, 21787  
and such pledge and security interest are valid, binding, and 21788  
enforceable against all parties having claims of any kind 21789  
against the state or any governmental agency, or against the 21790  
designated administrator, whether or not such parties have 21791  
notice thereof, and shall create a perfected security interest 21792  
for all purposes of Chapter 1309. of the Revised Code, without 21793  
the necessity for separation or delivery or possession of the 21794  
pledged receipts, or for the filing or recording of the bond 21795  
proceedings by which such pledge and security interest are 21796  
created or any certificate, statement, or other document with 21797  
respect thereto; and the pledge of such pledged receipts and the 21798  
security interest are effective and the money therefrom and 21799  
thereof may be applied to the purposes for which pledged without 21800  
necessity for any act of appropriation. Every pledge made and 21801  
security interest granted, and every covenant and agreement made 21802  
with respect thereto in the bond proceedings may therein be 21803  
extended to the benefit of the owners and holders of obligations 21804  
authorized by this section, and to any trustee therefor, for the 21805  
further security of the payment of the bond service charges. 21806

(D) The bond proceedings may contain additional provisions 21807  
as to: 21808

(1) The redemption of obligations prior to maturity at 21809

|  |       |
|--|-------|
| such price or prices and under such terms and conditions as are  | 21810 |
| provided in the bond proceedings;                                | 21811 |
| (2) Other terms of the obligations;                              | 21812 |
| (3) Limitations on the issuance of additional obligations;       | 21813 |
| (4) The terms of any trust agreement or indenture securing       | 21814 |
| the obligations or under which the same may be issued;           | 21815 |
| (5) The investment of the proceeds of obligations and            | 21816 |
| amounts on deposit in the special funds;                         | 21817 |
| (6) Any or every provision of the bond proceedings being         | 21818 |
| binding upon such officer, board, commission, authority, agency, | 21819 |
| department, or other person or body as may from time to time     | 21820 |
| have the authority under law to take such actions as may be      | 21821 |
| necessary to perform all or any part of the duty required by     | 21822 |
| such provision;  | 21823 |
| (7) Any provision that may be made in a trust agreement or       | 21824 |
| indenture;   | 21825 |
| (8) Provisions for the use of the proceeds of repayment of       | 21826 |
| education loans to acquire additional education loans;           | 21827 |
| (9) Any other or additional agreements with the holders of       | 21828 |
| the obligations, the trustee therefor, or the designated         | 21829 |
| administrator, relating to the obligations or the security       | 21830 |
| therefor, including the assignment of security obtained or to be | 21831 |
| obtained for education loans.                                    | 21832 |
| (E) The obligations and any coupons pertaining to                | 21833 |
| obligations shall be in the form specified in the bond           | 21834 |
| proceedings and shall be signed by or bear the facsimile         | 21835 |
| signature of the issuing authority. Any obligations or coupons   | 21836 |
| may be executed by the person who, on the date of execution, is  | 21837 |

the proper issuing authority although on the date of such bonds 21838  
or coupons such person was not the issuing authority. In case 21839  
the issuing authority whose signature or a facsimile of whose 21840  
signature appears on any such obligation or coupon ceases to be 21841  
the issuing authority before delivery thereof, such signature or 21842  
facsimile is nevertheless valid and sufficient for all purposes 21843  
as if that official had remained the issuing authority until 21844  
such delivery. 21845

(F) All obligations are negotiable instruments and 21846  
securities under Chapter 1308. of the Revised Code, subject to 21847  
the provisions of the bond proceedings as to registration. The 21848  
obligations may be issued in coupon or in registered form, or 21849  
both, as the issuing authority determines. Provision may be made 21850  
for the registration of any obligations with coupons attached 21851  
thereto as to principal alone or as to both principal and 21852  
interest, their exchange for obligations so registered, and for 21853  
the conversion or reconversion into obligations with coupons 21854  
attached thereto of any obligations registered as to both 21855  
principal and interest, and for reasonable charges for such 21856  
registration, exchange, conversion, and reconversion. 21857

(G) Obligations may be sold at public sale or at private 21858  
sale, as determined by the issuing authority in the bond 21859  
proceedings. 21860

(H) Pending preparation of definitive obligations, the 21861  
issuing authority may issue interim receipts or certificates 21862  
which shall be exchanged for such definitive obligations. 21863

(I) In the discretion of the issuing authority, 21864  
obligations may be secured additionally by a trust agreement or 21865  
indenture between the issuing authority and a corporate trustee 21866  
and, if so provided for in the bond proceedings, any other 21867



necessary or appropriate party. Any such trustee shall be a 21868  
trust company, bank, or national banking association authorized 21869  
to exercise trust powers within the state. Any such agreement or 21870  
indenture may contain the order authorizing the issuance of the 21871  
obligations, any provisions that may be contained in any bond 21872  
proceedings, and other provisions which are customary or 21873  
appropriate in an agreement or indenture of such type, 21874  
including, but not limited to: 21875

(1) Maintenance of each pledge, security interest, and 21876  
trust agreement, indenture, or other instrument comprising part 21877  
of the bond proceedings until the bond service charges on the 21878  
obligations secured thereby have been fully paid, or provision 21879  
therefor has been made in accordance with the bond proceedings; 21880

(2) In the event of default in any payments required to be 21881  
made by the bond proceedings, or any other agreement of the 21882  
issuing authority made as a part of the contract under which the 21883  
obligations were issued, enforcement of such payments or 21884  
agreement by mandamus, the appointment of a receiver, suit in 21885  
equity, action at law, or any combination of the foregoing; 21886

(3) The rights and remedies of the holders of obligations 21887  
and of the trustee, and provisions for protecting and enforcing 21888  
them, including limitations on rights of individual holders of 21889  
obligations; 21890

(4) The replacement of any obligations that become 21891  
mutilated or are destroyed, lost, or stolen; 21892

(5) Such other provisions as the trustee and the issuing 21893  
authority agree upon, including limitations, conditions, or 21894  
qualifications relating to the education loans that may be made 21895  
or acquired pursuant to the trust agreement or indenture. 21896

(J) Any holder of obligations or a trustee under the bond 21897  
proceedings, except to the extent that rights are restricted by 21898  
the bond proceedings, may by any suitable form of legal 21899  
proceedings, protect and enforce any rights under the laws of 21900  
this state or granted by such bond proceedings. Such rights 21901  
include the right to compel the performance of all duties of the 21902  
issuing authority or the director of housing and development 21903  
required by this chapter or the bond proceedings; to enjoin 21904  
unlawful activities; and, in the event of default with respect 21905  
to the payment of any bond service charges on any obligations or 21906  
in the performance of any covenant or agreement on the part of 21907  
the issuing authority or the director of housing and development 21908  
in the bond proceedings, to apply to a court having jurisdiction 21909  
to appoint a receiver to receive and administer the pledged 21910  
receipts pledged to the payment of the bond service charges on 21911  
such obligations or which are the subject of the covenant or 21912  
agreement, with full power to pay and to provide for payment of 21913  
bond service charges on such obligations and with such powers, 21914  
subject to the direction of the court, as are accorded receivers 21915  
in general equity cases, excluding any power to pledge revenues 21916  
or receipts or other income or moneys, other than pledged 21917  
receipts, and excluding any power to take possession of, or 21918  
cause the sale or otherwise dispose of, any property other than 21919  
the pledged receipts. 21920

Each duty of the issuing authority, of each governmental 21921  
agency including the director of housing and development, of the 21922  
designated administrator, and of any of the officers, members, 21923  
or employees of any of the foregoing, undertaken pursuant to the 21924  
bond proceedings or any agreement made under authority of this 21925  
chapter, and each duty in every agreement by or with the issuing 21926  
authority under this chapter, each governmental agency including 21927

the director of housing and development, and the designated 21928  
administrator, is hereby established as a duty of the issuing 21929  
authority, the governmental agency, or the designated 21930  
administrator, respectively, and of each such officer, member, 21931  
or employee having authority to perform such duty, specifically 21932  
enjoined by the law resulting from an office, trust, or station 21933  
within the meaning of section 2731.01 of the Revised Code. 21934

The person who is at the time the issuing authority or the 21935  
director of housing and development, or the officers or 21936  
employees of either of them, are not liable in their personal 21937  
capacities on any obligations or any agreements of or with the 21938  
issuing authority or the director of housing and development. 21939

(K) The issuing authority may issue obligations for the 21940  
refunding, including funding and retirement, and advance 21941  
refunding with or without payment or redemption prior to 21942  
maturity, of any obligations previously issued. Such obligations 21943  
may be issued in amounts sufficient for payment of the principal 21944  
amount of the prior obligations, any redemption premiums 21945  
thereon, principal maturities of any such obligations maturing 21946  
prior to the redemption of the remaining obligations on a parity 21947  
therewith, interest accrued or to accrue to the maturity dates 21948  
or dates of redemption of such obligations, and expenses 21949  
incurred or to be incurred in connection with such issuance and 21950  
such refunding, funding, and retirement. Subject to the bond 21951  
proceedings therefor, the portion of proceeds of the sale of 21952  
obligations issued under this division to be applied to bond 21953  
service charges on the prior obligations shall be credited to an 21954  
appropriate account held by the trustee for such prior or new 21955  
obligations or to the appropriate account in the bond service 21956  
fund for such obligations. Obligations authorized under this 21957  
division shall be deemed to be issued for those purposes for 21958

which such prior obligations were issued and are subject to the 21959  
provisions of this section pertaining to other obligations, 21960  
except as otherwise provided in this section. 21961

(L) The authority to issue obligations under this section 21962  
includes authority to issue obligations in the form of bond 21963  
anticipation notes and to renew the same from time to time by 21964  
the issuance of new notes. The holders of such notes or interest 21965  
coupons pertaining thereto shall have a right to be paid solely 21966  
from the pledged receipts and special funds that may be pledged 21967  
to the payment of the bonds anticipated, or from the proceeds of 21968  
such anticipated bonds or renewal notes, or both, as the issuing 21969  
authority provides in the order authorizing such notes. Such 21970  
notes may be additionally secured by covenants of the issuing 21971  
authority and the director of housing and development to the 21972  
effect that the issuing authority and the director of housing 21973  
and development will do such or all things necessary for the 21974  
issuance of such bonds or renewal notes in appropriate amounts, 21975  
and apply the proceeds thereof to the extent necessary, to make 21976  
full payment of the principal of and interest on such notes at 21977  
the time or times contemplated, as provided in such order. For 21978  
this purpose, the issuing authority shall issue bonds or renewal 21979  
notes in such principal amount and upon such terms as may be 21980  
necessary to provide funds to pay, when required, the principal 21981  
of and interest and any premium on such notes. Subject to this 21982  
division, all provisions for and references to obligations in 21983  
this section are applicable to notes authorized under this 21984  
division. 21985

The issuing authority in the bond proceedings authorizing 21986  
the issuance of bond anticipation notes shall set forth for such 21987  
bonds an estimated interest rate and a schedule of principal 21988  
payments for such bonds and the annual maturity dates thereof, 21989

but this provision does not modify any authority in this section 21990  
to pledge receipts to, to grant a security interest in those 21991  
receipts for the purpose of securing, and to covenant to issue 21992  
bonds to fund, the payment of principal of and interest and any 21993  
premium on such notes, or to provide in the bond proceedings 21994  
authorizing the issuance of the anticipated bonds interest rates 21995  
and a schedule of principal payments for such bonds and the 21996  
annual maturity dates thereof which differ from the estimates in 21997  
the bond proceedings authorizing the issuance of such bond 21998  
anticipation notes. 21999

(M) Obligations issued under this section are lawful 22000  
investments for banks; savings banks; savings and loan 22001  
associations; credit union share guarantee corporations; trust 22002  
companies; trustees; fiduciaries; insurance companies, including 22003  
domestic for life and domestic not for life; trustees or other 22004  
officers having charge of sinking and bond retirement or other 22005  
special funds of the state and of subdivisions and taxing 22006  
districts of the state; the commissioners of the sinking fund of 22007  
the state; the administrator of workers' compensation, subject 22008  
to the approval of the workers' compensation board; the state 22009  
teachers retirement system; the public employees retirement 22010  
system; the school employees retirement system; and the Ohio 22011  
police and fire pension fund, notwithstanding any other 22012  
provisions of the Revised Code or rules adopted pursuant to 22013  
those provisions by any agency of the state with respect to 22014  
investments by them, and are also eligible as security for the 22015  
repayment of the deposit of public moneys. 22016

(N) Provision may be made in the applicable bond 22017  
proceedings for the establishment of separate accounts in the 22018  
bond service fund and for the application of such accounts only 22019  
to the specified bond service charges on obligations pertinent 22020

to such accounts and bond service fund and for other accounts 22021  
therein within the general purposes of such fund. Unless 22022  
otherwise provided in any applicable bond proceedings, moneys to 22023  
the credit of or in the several special funds established 22024  
pursuant to this section shall be invested and disbursed as 22025  
provided in the bond proceedings. 22026

(O) The issuing authority shall pledge and grant a 22027  
security interest in all, or such portion as the issuing 22028  
authority determines, of the pledged receipts to the payment of 22029  
bond service charges on obligations, and for the establishment 22030  
and maintenance of any reserves, as provided in the bond 22031  
proceedings, and make other provisions therein with respect to 22032  
pledged receipts as authorized by this chapter, which provisions 22033  
are controlling notwithstanding any other provisions of law 22034  
pertaining thereto. 22035

(P) The obligations, the transfer thereof, and the 22036  
interest, accreted amount, and other income therefrom, including 22037  
any profit made on the sale thereof, shall at all times be free 22038  
from taxation, direct or indirect, within this state. 22039

**Sec. 3735.27.** (A) Whenever the director of housing and 22040  
development has determined that there is need for a housing 22041  
authority in any portion of any county that comprises two or 22042  
more political subdivisions or portions of two or more political 22043  
subdivisions but is less than all the territory within the 22044  
county, a metropolitan housing authority shall be declared to 22045  
exist, and the territorial limits of the authority shall be 22046  
defined, by a letter from the director. The director shall issue 22047  
a determination from the department of housing and development 22048  
declaring that there is need for a housing authority within 22049  
those territorial limits after finding either of the following: 22050

(1) Unsanitary or unsafe inhabited housing accommodations 22051  
exist in that area; 22052

(2) There is a shortage of safe and sanitary housing 22053  
accommodations in that area available to persons who lack the 22054  
amount of income that is necessary, as determined by the 22055  
director, to enable them, without financial assistance, to live 22056  
in decent, safe, and sanitary dwellings without congestion. 22057

In determining whether dwelling accommodations are unsafe 22058  
or unsanitary, the director may take into consideration the 22059  
degree of congestion, the percentage of land coverage, the 22060  
light, air, space, and access available to the inhabitants of 22061  
the dwelling accommodations, the size and arrangement of rooms, 22062  
the sanitary facilities, and the extent to which conditions 22063  
exist in the dwelling accommodations that endanger life or 22064  
property by fire or other causes. 22065

The territorial limits of a metropolitan housing authority 22066  
as defined by the director under this division shall be fixed 22067  
for the authority upon proof of a letter from the director 22068  
declaring the need for the authority to function in those 22069  
territorial limits. Any such letter from the director, any 22070  
certificate of determination issued by the director, and any 22071  
certificate of appointment of members of the authority shall be 22072  
admissible in evidence in any suit, action, or proceeding. 22073

A certified copy of the letter from the director declaring 22074  
the existence of a metropolitan housing authority and the 22075  
territorial limits of its district shall be immediately 22076  
forwarded to each appointing authority. A metropolitan housing 22077  
authority shall consist of members who are residents of the 22078  
territory in which they serve. 22079

(B) (1) Except as otherwise provided in division (C), (D), 22080  
(E), or (F) of this section, the members of a metropolitan 22081  
housing authority shall be appointed as follows: 22082

(a) (i) In a district in a county in which a charter has 22083  
been adopted under Article X, Section 3 of the Ohio 22084  
Constitution, and in which the most populous city is not the 22085  
city with the largest ratio of housing units owned or managed by 22086  
the authority to population, one member shall be appointed by 22087  
the probate court, one member shall be appointed by the court of 22088  
common pleas, one member shall be appointed by the board of 22089  
county commissioners, one member shall be appointed by the chief 22090  
executive officer of the city that has the largest ratio of 22091  
housing units owned or managed by the authority to population, 22092  
and two members shall be appointed by the chief executive 22093  
officer of the most populous city in the district. 22094

(ii) If, in a district that appoints members pursuant to 22095  
division (B) (1) (a) of this section, the most populous city 22096  
becomes the city with the largest ratio of housing units owned 22097  
or managed by the authority to population, when the term of 22098  
office of the member who was appointed by the chief executive 22099  
officer of the city with the largest ratio expires, that member 22100  
shall not be reappointed, and the membership of the authority 22101  
shall be as described in division (B) (1) (b) of this section. 22102

(b) In any district other than one described in division 22103  
(B) (1) (a) of this section, one member shall be appointed by the 22104  
probate court, one member shall be appointed by the court of 22105  
common pleas, one member shall be appointed by the board of 22106  
county commissioners, and two members shall be appointed by the 22107  
chief executive officer of the most populous city in the 22108  
district. 22109



(2) At the time of the initial appointment of the 22110  
authority, the member appointed by the probate court shall be 22111  
appointed for a period of four years, the member appointed by 22112  
the court of common pleas shall be appointed for three years, 22113  
the member appointed by the board of county commissioners shall 22114  
be appointed for two years, one member appointed by the chief 22115  
executive officer of the most populous city in the district 22116  
shall be appointed for one year, and the other member appointed 22117  
by the chief executive officer of the most populous city in the 22118  
district shall be appointed for five years. 22119

If appointments are made under division (B)(1)(a) of this 22120  
section, the member appointed by the chief executive officer of 22121  
the city in the district that is not the most populous city, but 22122  
that has the largest ratio of housing units owned or managed by 22123  
the authority to population, shall be appointed for five years. 22124

After the initial appointments, all members of the 22125  
authority shall be appointed for five-year terms, and any 22126  
vacancy occurring upon the expiration of a term shall be filled 22127  
by the appointing authority that made the initial appointment. 22128

(3) For purposes of this division, population shall be 22129  
determined according to the last preceding federal census. 22130

(C) For any metropolitan housing authority district that 22131  
contained, as of the 1990 federal census, a population of at 22132  
least one million, two members of the authority shall be 22133  
appointed by the legislative authority of the most populous city 22134  
in the district, two members shall be appointed by the chief 22135  
executive officer of the most populous city in the district, and 22136  
one member shall be appointed by the chief executive officer, 22137  
with the approval of the legislative authority, of the city in 22138  
the district that has the second highest number of housing units 22139

owned or managed by the authority. 22140

At the time of the initial appointment of the authority, 22141  
one member appointed by the legislative authority of the most 22142  
populous city in the district shall be appointed for three 22143  
years, and one such member shall be appointed for one year; the 22144  
member appointed by the chief executive officer of the city with 22145  
the second highest number of housing units owned or managed by 22146  
the authority shall be appointed, with the approval of the 22147  
legislative authority, for three years; and one member appointed 22148  
by the chief executive officer of the most populous city in the 22149  
district shall be appointed for three years, and one such member 22150  
shall be appointed for one year. Thereafter, all members of the 22151  
authority shall be appointed for three-year terms, and any 22152  
vacancy shall be filled by the same appointing power that made 22153  
the initial appointment. At the expiration of the term of any 22154  
member appointed by the chief executive officer of the most 22155  
populous city in the district before March 15, 1983, the chief 22156  
executive officer of the most populous city in the district 22157  
shall fill the vacancy by appointment for a three-year term. At 22158  
the expiration of the term of any member appointed by the board 22159  
of county commissioners before March 15, 1983, the chief 22160  
executive officer of the city in the district with the second 22161  
highest number of housing units owned or managed by the 22162  
authority shall, with the approval of the municipal legislative 22163  
authority, fill the vacancy by appointment for a three-year 22164  
term. At the expiration of the term of any member appointed 22165  
before March 15, 1983, by the court of common pleas or the 22166  
probate court, the legislative authority of the most populous 22167  
city in the district shall fill the vacancy by appointment for a 22168  
three-year term. 22169

After March 15, 1983, at least one of the members 22170

appointed by the chief executive officer of the most populous 22171  
city shall be a resident of a dwelling unit owned or managed by 22172  
the authority. At least one of the initial appointments by the 22173  
chief executive officer of the most populous city, after March 22174  
15, 1983, shall be a resident of a dwelling unit owned or 22175  
managed by the authority. Thereafter, any member appointed by 22176  
the chief executive officer of the most populous city for the 22177  
term established by this initial appointment, or for any 22178  
succeeding term, shall be a person who resides in a dwelling 22179  
unit owned or managed by the authority. If there is an elected, 22180  
representative body of all residents of the authority, the chief 22181  
executive officer of the most populous city shall, whenever 22182  
there is a vacancy in this resident term, provide written notice 22183  
of the vacancy to the representative body. If the representative 22184  
body submits to the chief executive officer of the most populous 22185  
city, in writing and within sixty days after the date on which 22186  
it was notified of the vacancy, the names of at least five 22187  
residents of the authority who are willing and qualified to 22188  
serve as a member, the chief executive officer of the most 22189  
populous city shall appoint to the resident term one of the 22190  
residents recommended by the representative body. At no time 22191  
shall residents constitute a majority of the members of the 22192  
authority. 22193

(D) (1) For any metropolitan housing authority district 22194  
that is located in a county that has, according to the most 22195  
recent federal decennial census, a population greater than seven 22196  
hundred thousand but less than nine hundred thousand, the 22197  
members of the metropolitan housing authority shall be selected 22198  
as follows: 22199

(a) One member shall be appointed by the probate court. 22200

(b) One member shall be appointed by the court of common pleas. 22201  
22202

(c) One member shall be appointed by the board of county commissioners. 22203  
22204

(d) Two members shall be appointed by the mayor of the 22205  
most populous city in the district, subject to approval by city 22206  
council. At least one of the initial appointments by the mayor 22207  
shall be a resident of a dwelling unit owned or managed by the 22208  
authority. Thereafter, any member appointed by the mayor of the 22209  
most populous city for the term established by the initial 22210  
appointment, or for any succeeding term, shall be a person who 22211  
resides in a dwelling unit owned or managed by the authority. If 22212  
there is an elected, representative body of all residents of the 22213  
authority, the mayor of the most populous city shall, whenever 22214  
there is a vacancy in the resident term, provide written notice 22215  
of the vacancy to the representative body. If the representative 22216  
body submits to the mayor of the most populous city, in writing 22217  
and within sixty days after the date on which it was notified of 22218  
the vacancy, the names of at least five residents of the 22219  
authority who are willing and qualified to serve as a member, 22220  
the mayor of the most populous city shall appoint to the 22221  
resident term one of the residents recommended by the 22222  
representative body. At no time shall residents constitute a 22223  
majority of the members of the authority. 22224

(e) One member shall be nominated by the township 22225  
association of the county. The name of the nominee submitted by 22226  
the township association of the county shall be sent to the 22227  
board of county commissioners and the executive director of the 22228  
metropolitan housing authority, if applicable. The board of 22229  
county commissioners shall accept or reject the nominee. 22230

(f) One member shall be nominated by the municipal league 22231  
of the county. The name of the nominee submitted by the 22232  
municipal league of the county shall be sent to the board of 22233  
county commissioners and the executive director of the 22234  
metropolitan housing authority, if applicable. The nominee shall 22235  
not be a resident of the district's most populous city and shall 22236  
represent a city that is substantially impacted as described in 22237  
division (I) of this section. The board of county commissioners 22238  
shall accept or reject the nominee. 22239

(2) At the time of the initial appointment of the 22240  
authority described in division (D)(1) of this section, the 22241  
member appointed by the probate court shall be appointed for a 22242  
period of four years; the member appointed by the court of 22243  
common pleas shall be appointed for three years; the member 22244  
appointed by the board of county commissioners shall be 22245  
appointed for two years; one member appointed by the mayor of 22246  
the most populous city in the district shall be appointed for 22247  
one year, and the other member appointed by the mayor of the 22248  
most populous city in the district shall be appointed for five 22249  
years; the member nominated by the township association of the 22250  
county shall be appointed for the same number of years as the 22251  
nonresident member of the authority appointed by the mayor of 22252  
the most populous city in the district; and the member nominated 22253  
by the municipal league of the county shall be appointed for the 22254  
same number of years as the resident member of the authority 22255  
appointed by the mayor of the most populous city in the 22256  
district. 22257

After the initial appointments, all members of the 22258  
authority shall be appointed for five-year terms, and any 22259  
vacancy occurring upon the expiration of a term shall be filled 22260  
by the authority that made the initial appointment or 22261

nomination. 22262

(E) (1) For any metropolitan housing authority district 22263  
located in a county that had, as of the 2000 federal census, a 22264  
population of at least four hundred thousand and no city with a 22265  
population greater than thirty per cent of the total population 22266  
of the county, one member of the authority shall be appointed by 22267  
the probate court, one member shall be appointed by the court of 22268  
common pleas, one member shall be appointed by the chief 22269  
executive officer of the most populous city in the district, and 22270  
two members shall be appointed by the board of county 22271  
commissioners. 22272

(2) At the time of the initial appointment of a 22273  
metropolitan housing authority pursuant to this division, the 22274  
member appointed by the probate court shall be appointed for a 22275  
period of four years, the member appointed by the court of 22276  
common pleas shall be appointed for three years, the member 22277  
appointed by the chief executive officer of the most populous 22278  
city shall be appointed for two years, one member appointed by 22279  
the board of county commissioners shall be appointed for one 22280  
year, and the other member appointed by the board of county 22281  
commissioners shall be appointed for five years. Thereafter, all 22282  
members of the authority shall be appointed for five-year terms, 22283  
with each term ending on the same day of the same month as the 22284  
term that it succeeds. Vacancies shall be filled in the manner 22285  
provided in the original appointments. Any member appointed to 22286  
fill a vacancy occurring prior to the expiration of the term 22287  
shall hold office as a member for the remainder of that term. 22288

(F) (1) One resident member shall be appointed to a 22289  
metropolitan housing authority when required by federal law. The 22290  
chief executive officer of the most populous city in the 22291

district shall appoint that resident member for a term of five 22292  
years. Subsequent terms of that resident member also shall be 22293  
for five years, and any vacancy in the position of the resident 22294  
member shall be filled by the chief executive officer of the 22295  
most populous city in the district. Any member appointed to fill 22296  
such a vacancy shall hold office as a resident member for the 22297  
remainder of that term. If, at any time, a resident member no 22298  
longer qualifies as a resident, another resident member shall be 22299  
appointed by the appointing authority who originally appointed 22300  
the resident member to serve for the unexpired portion of that 22301  
term. 22302

(2) On and after September 29, 2005, any metropolitan 22303  
housing authority to which two additional members were appointed 22304  
pursuant to former division (E)(1) of this section as enacted by 22305  
Amended Substitute House Bill No. 95 of the 125th general 22306  
assembly shall continue to have those additional members. Their 22307  
terms shall be for five years, and vacancies in their positions 22308  
shall be filled in the manner provided for their original 22309  
appointment under former division (E)(1) of this section as so 22310  
enacted. 22311

(G) Public officials, other than the officers having the 22312  
appointing power under this section, shall be eligible to serve 22313  
as members, officers, or employees of a metropolitan housing 22314  
authority notwithstanding any statute, charter, or law to the 22315  
contrary. Not more than two such public officials shall be 22316  
members of the authority at any one time. 22317

All members of an authority shall serve without 22318  
compensation but shall be entitled to be reimbursed for all 22319  
necessary expenses incurred. 22320

After a metropolitan housing authority district is formed, 22321

the director may enlarge the territory within the district to 22322  
include other political subdivisions, or portions of other 22323  
political subdivisions, but the territorial limits of the 22324  
district shall be less than that of the county. 22325

(H) (1) Any vote taken by a metropolitan housing authority 22326  
shall require a majority affirmative vote to pass. A tie vote 22327  
shall constitute a defeat of any measure receiving equal numbers 22328  
of votes for and against it. 22329

(2) The members of a metropolitan housing authority shall 22330  
act in the best interest of the district and shall not act 22331  
solely as representatives of their respective appointing 22332  
authorities. 22333

(I) "Substantially impacted" as used in division (D) (1) (f) 22334  
of this section means a city within a metropolitan housing 22335  
authority that, based on the percentage of housing units that 22336  
are subsidized housing, is in the top one-third of cities within 22337  
the county. 22338

**Sec. 3735.39.** Whenever a metropolitan housing authority 22339  
desires to discontinue its operations it shall make application 22340  
to the director of housing and development, for authority to 22341  
dissolve. If such application is granted, the director shall 22342  
take possession and dispose of all property belonging to the 22343  
authority, and, after paying the debts and liabilities of the 22344  
authority and the expenses of administering the dissolution, the 22345  
balance remaining shall be paid into the sinking fund of the 22346  
county in which the authority existed. 22347

**Sec. 3735.66.** The legislative authority of a political 22348  
subdivision may survey the housing within the municipal 22349  
corporation in the case of a municipal corporation, the 22350



unincorporated area of the township in the case of a limited 22351  
home rule township, and the unincorporated area of the county in 22352  
the case of a county. After the survey, the legislative 22353  
authority may adopt a resolution describing the boundaries of 22354  
community reinvestment areas which contain the conditions 22355  
required for the finding under division (B) of section 3735.65 22356  
of the Revised Code. The findings resulting from the survey 22357  
shall be incorporated in the resolution describing the 22358  
boundaries of an area. The legislative authority may stipulate 22359  
in the resolution that only new structures or remodeling 22360  
classified as to use as commercial, industrial, or residential, 22361  
or some combination thereof, and otherwise satisfying the 22362  
requirements of section 3735.67 of the Revised Code are eligible 22363  
for exemption from taxation under that section. If the 22364  
resolution does not include such a stipulation, all new 22365  
structures and remodeling satisfying the requirements of section 22366  
3735.67 of the Revised Code are eligible for exemption from 22367  
taxation regardless of classification. Whether or not the 22368  
resolution includes such a stipulation, the classification of 22369  
the structures or remodeling eligible for exemption in the area 22370  
shall at all times be consistent with zoning restrictions 22371  
applicable to the area. For the purposes of sections 3735.65 to 22372  
3735.70 of the Revised Code, whether a structure or remodeling 22373  
composed of multiple units is classified as commercial or 22374  
residential shall be determined by resolution or ordinance of 22375  
the legislative authority or, in the absence of such a 22376  
determination, by the classification of the use of the structure 22377  
or remodeling under the applicable zoning regulations. 22378

    If construction or remodeling classified as residential is 22379  
eligible for exemption from taxation, the resolution shall 22380  
specify a percentage, not to exceed one hundred per cent, of the 22381

assessed valuation of such property to be exempted. The 22382  
percentage specified shall apply to all residential construction 22383  
or remodeling for which exemption is granted. 22384

Territory of a community reinvestment area designated by a 22385  
municipal corporation shall include only territory of the 22386  
municipal corporation. Territory of an area designated by a 22387  
limited home rule township shall include only unincorporated 22388  
territory of the township that is not already included in an 22389  
area designated by a county. Territory of an area designated by 22390  
a county shall include only unincorporated territory of the 22391  
county that is not already included in an area designated by a 22392  
limited home rule township. 22393

Upon the adoption of the resolution, the legislative 22394  
authority shall send, by certified mail, one copy of the 22395  
resolution and a map of the community reinvestment area in 22396  
sufficient detail to denote the specific boundaries of the area, 22397  
to the director of housing and development. 22398

The resolution adopted pursuant to this section shall be 22399  
published in a newspaper of general circulation in the political 22400  
subdivision that adopted the resolution once a week for two 22401  
consecutive weeks or as provided in section 7.16 of the Revised 22402  
Code, immediately following its adoption. 22403

Each legislative authority adopting a resolution pursuant 22404  
to this section shall designate a housing officer. The 22405  
legislative authority or housing officer shall not grant any 22406  
exemption from taxation under section 3735.67 of the Revised 22407  
Code until the director assigns to each community reinvestment 22408  
area a unique designation by which the area shall be identified 22409  
for purposes of sections 3735.65 to 3735.70 of the Revised Code. 22410

**Sec. 3735.671.** (A) If construction or remodeling of 22411  
commercial or industrial property is to be exempted from 22412  
taxation pursuant to section 3735.67 of the Revised Code, the 22413  
legislative authority and the owner of the property, prior to 22414  
the commencement of construction or remodeling, shall enter into 22415  
a written agreement, binding on both parties for a period of 22416  
time that does not end prior to the end of the period of the 22417  
exemption, that includes all of the information and statements 22418  
described in divisions (B)(1) to (8) of this section. Agreements 22419  
may include terms not described in those divisions or otherwise 22420  
prescribed by the model agreement adopted by the director of 22421  
housing and development under division (B) of this section, but 22422  
such terms shall in no way derogate from the information and 22423  
statements described in divisions (B)(1) to (8) of this section. 22424

(1) Except as otherwise provided in division (A)(2) or (3) 22425  
of this section, an agreement entered into under this section 22426  
shall not be approved by the legislative authority unless the 22427  
board of education of the city, local, or exempted village 22428  
school district within the territory of which the property is or 22429  
will be located approves the agreement. For the purpose of 22430  
obtaining such approval, the legislative authority shall certify 22431  
a copy of the agreement to the board of education not later than 22432  
forty-five days prior to approving the agreement, excluding 22433  
Saturday, Sunday, and a legal holiday as defined in section 1.14 22434  
of the Revised Code. The board of education, by resolution 22435  
adopted by a majority of the board, shall approve or disapprove 22436  
the agreement and certify a copy of the resolution to the 22437  
legislative authority not later than fourteen days prior to the 22438  
date stipulated by the legislative authority as the date upon 22439  
which approval of the agreement is to be formally considered by 22440  
the legislative authority. The board of education may include in 22441

the resolution conditions under which the board would approve 22442  
the agreement. The legislative authority may approve an 22443  
agreement at any time after the board of education certifies its 22444  
resolution approving the agreement to the legislative authority, 22445  
or, if the board approves the agreement conditionally, at any 22446  
time after the conditions are agreed to by the board and the 22447  
legislative authority. 22448

(2) Approval of an agreement by the board of education is 22449  
not required under division (A) (1) of this section if, for each 22450  
tax year the real property is exempted from taxation, the sum of 22451  
the following quantities, as estimated at or prior to the time 22452  
the agreement is formally approved by the legislative authority, 22453  
equals or exceeds twenty-five per cent of the amount of taxes, 22454  
as estimated at or prior to that time, that would have been 22455  
charged and payable that year upon the real property had that 22456  
property not been exempted from taxation: 22457

(a) The amount of taxes charged and payable on any portion 22458  
of the assessed valuation of the new structure or of the 22459  
increased assessed valuation of an existing structure after 22460  
remodeling began that will not be exempted from taxation under 22461  
the agreement; 22462

(b) The amount of taxes charged and payable on tangible 22463  
personal property located on the premises of the new structure 22464  
or of the structure to be remodeled under the agreement, whether 22465  
payable by the owner of the structure or by a related member, as 22466  
defined in section 5733.042 of the Revised Code without regard 22467  
to division (B) of that section. 22468

(c) The amount of any cash payment by the owner of the new 22469  
structure or structure to be remodeled to the school district, 22470  
the dollar value, as mutually agreed to by the owner and the 22471

board of education, of any property or services provided by the 22472  
owner of the property to the school district, whether by gift, 22473  
loan, or otherwise, and any payment by the legislative authority 22474  
to the school district pursuant to section 5709.82 of the 22475  
Revised Code. 22476

The estimates of quantities used for purposes of division 22477  
(A) (2) of this section shall be estimated by the legislative 22478  
authority. The legislative authority shall certify to the board 22479  
of education that the estimates have been made in good faith. 22480  
Departures of the actual quantities from the estimates 22481  
subsequent to approval of the agreement by the board of 22482  
education do not invalidate the agreement. 22483

(3) If a board of education has adopted a resolution 22484  
waiving its right to approve agreements and the resolution 22485  
remains in effect, approval of an agreement by the board is not 22486  
required under division (A) (1) of this section. If a board of 22487  
education has adopted a resolution allowing a legislative 22488  
authority to deliver the notice required under this division 22489  
fewer than forty-five business days prior to the legislative 22490  
authority's execution of the agreement, the legislative 22491  
authority shall deliver the notice to the board not later than 22492  
the number of days prior to such execution as prescribed by the 22493  
board in its resolution. If a board of education adopts a 22494  
resolution waiving its right to approve agreements or shortening 22495  
the notification period, the board shall certify a copy of the 22496  
resolution to the legislative authority. If the board of 22497  
education rescinds such a resolution, it shall certify notice of 22498  
the rescission to the legislative authority. 22499

(4) If the owner of the property or the legislative 22500  
authority agree to make any payment to the school district as 22501

described in division (A) (2) (c) of this section, the owner or 22502  
legislative authority shall agree to make payments to the joint 22503  
vocational school district within which the property is located 22504  
at the same rate or amount and under the same terms received by 22505  
the city, local, or exempted village school district. 22506

(B) The director of housing and development shall adopt 22507  
rules in accordance with Chapter 119. of the Revised Code 22508  
prescribing the form of a model agreement that a legislative 22509  
authority may, in its discretion, use as the basis for an 22510  
agreement to be executed under this section. The model agreement 22511  
may include any term necessary for the administration and 22512  
enforcement of such agreements by the director and legislative 22513  
authority, but must include all of the following: 22514

(1) A space to include the description of real property to 22515  
be exempted from taxation under the agreement and to identify 22516  
the property's owners; 22517

(2) A space to denote the percentage of the assessed 22518  
valuation of real property exempted from taxation and the period 22519  
for which the exemption is granted; 22520

(3) A statement requiring the owner to pay real property 22521  
taxes not exempted under the agreement, as required by law, and 22522  
requiring rescission of the agreement if the owner fails to pay 22523  
those taxes beginning in and after the year any such taxes are 22524  
charged; 22525

(4) A statement that the owner certifies, at the time the 22526  
agreement is executed, that the owner does not owe any 22527  
delinquent property taxes or taxes for which the owner is liable 22528  
under Chapter 5735., 5739., 5741., 5743., 5747., or 5753. of the 22529  
Revised Code, or, if such delinquent taxes are owed, that the 22530

owner is paying the delinquent taxes pursuant to an undertaking 22531  
enforceable by the state or an agent or instrumentality thereof, 22532  
has filed a petition in bankruptcy, or has had a bankruptcy 22533  
petition filed against the owner; 22534

(5) A statement requiring the owner to provide to the 22535  
property tax incentive review council any information reasonably 22536  
required by the council to evaluate the applicant's compliance 22537  
with the agreement; 22538

(6) A statement that the agreement is not transferable or 22539  
assignable without the approval of the local authority; 22540

(7) A statement describing the circumstances under which 22541  
an agreement may be revoked by the local authority for 22542  
noncompliance and the manner by which already-received benefits 22543  
may be recovered; 22544

(8) A statement requiring the owner to provide an estimate 22545  
of the following for each agreement: 22546

(a) The number of employment opportunities created due to 22547  
the remodeling or construction, as well as the payroll 22548  
attributable to those opportunities; 22549

(b) The number of employment opportunities retained due to 22550  
the remodeling or construction, as well as the payroll 22551  
attributable to those opportunities. 22552

Once the director adopts rules prescribing a model 22553  
agreement under this division, the model agreement may not be 22554  
changed unless the director adopts, amends, or rescinds those 22555  
rules in accordance with Chapter 119. of the Revised Code. 22556

(C) If any person that is party to an agreement granting 22557  
an exemption from taxation discontinues operations at the 22558

structure to which that exemption applies prior to the 22559  
expiration of the term of the agreement, that person, any 22560  
successor to that person, and any related member shall not enter 22561  
into an agreement under this section or section 5709.62, 22562  
5709.63, or 5709.632 of the Revised Code, and no legislative 22563  
authority shall enter into such an agreement with such a person, 22564  
successor, or related member prior to the expiration of three 22565  
years after the person's discontinuation of operations. As used 22566  
in this division, "successor" means a person to which the assets 22567  
or equity of another person has been transferred, which transfer 22568  
resulted in the full or partial nonrecognition of gain or loss, 22569  
or resulted in a carryover basis, both as determined by rule 22570  
adopted by the tax commissioner. "Related member" has the same 22571  
meaning as defined in section 5733.042 of the Revised Code 22572  
without regard to division (B) of that section. 22573

The director of housing and development shall review all 22574  
agreements submitted to the director under section 3735.672 of 22575  
the Revised Code for the purpose of enforcing this division. If 22576  
the director determines there has been a violation of this 22577  
division, the director shall notify the legislative authority of 22578  
such violation, and the legislative authority immediately shall 22579  
revoke the exemption granted under the agreement. 22580

**Sec. 3735.672.** (A) On or before the thirty-first day of 22581  
March each year, a legislative authority that has entered into 22582  
an agreement with a party under section 3735.671 of the Revised 22583  
Code shall submit to the director of housing and development a 22584  
report on all such agreements in effect during the preceding 22585  
calendar year. The report shall include the following: 22586

(1) The total number of community reinvestment areas 22587  
designated by the political subdivision, and the total 22588



population of each area according to the most recent data 22589  
available; 22590

(2) The total number of agreements within each area; 22591

(3) The number of agreements approved and executed during 22592  
the calendar year for which the report is submitted, the total 22593  
number of agreements in effect on the thirty-first day of 22594  
December of the preceding calendar year, the number of 22595  
agreements that expired during the calendar year for which the 22596  
report is submitted, and the number of agreements scheduled to 22597  
expire during the calendar year in which the report is 22598  
submitted. For each agreement that expired during the calendar 22599  
year for which the report is submitted, the legislative 22600  
authority shall include the amount of taxes exempted under the 22601  
agreement. 22602

(4) The number of agreements the terms of which a party 22603  
has failed to comply with, indicating separately for each such 22604  
agreement the value of the real property exempted pursuant to 22605  
the agreement and a comparison of the estimated and actual 22606  
amounts described in division (B) (8) of section 3735.671 of the 22607  
Revised Code; 22608

(5) Any changes to zoning restrictions in any part of a 22609  
community reinvestment area, including a map of the area 22610  
indicating the new zoning restrictions in the area; 22611

(6) A copy of any agreement approved and executed or 22612  
amended during the calendar year for which the report is 22613  
submitted. 22614

(B) Upon the failure of a political subdivision to comply 22615  
with division (A) of this section: 22616

(1) Beginning on the first day of April of the calendar 22617

year in which the political subdivision fails to comply with 22618  
that division, the political subdivision shall not enter into 22619  
any agreements under section 3735.671 of the Revised Code until 22620  
the political subdivision has complied with division (A) of this 22621  
section. 22622

(2) On the first day of each ensuing calendar month until 22623  
the political subdivision complies with that division, the 22624  
director of housing and development shall either order the 22625  
proper county auditor to deduct from the next succeeding payment 22626  
of taxes to the political subdivision under section 321.31, 22627  
321.32, 321.33, or 321.34 of the Revised Code an amount equal to 22628  
five hundred dollars for each calendar month the political 22629  
subdivision fails to comply with that division, or order the 22630  
county auditor to deduct such an amount from the next succeeding 22631  
payment to the political subdivision from the undivided local 22632  
government fund under section 5747.51 of the Revised Code. At 22633  
the time such a payment is made, the county auditor shall comply 22634  
with the director's order by issuing a warrant, drawn on the 22635  
fund from which such money would have been paid, to the director 22636  
of housing and development, who shall deposit the warrant into 22637  
the tax incentives operating fund created by section 122.174 of 22638  
the Revised Code. 22639

(C) The department of housing and development shall 22640  
publish on its web site a list of all community reinvestment 22641  
areas within the state, with an accompanying display of their 22642  
geographical boundaries within each political subdivision. The 22643  
list shall also include, for each community reinvestment area, a 22644  
copy of the resolution governing that area and any agreement 22645  
entered into under section 3735.671 of the Revised Code for any 22646  
commercial or industrial property within the area. This list 22647  
shall be updated annually. 22648

**Sec. 3735.673.** If a person operating in a political 22649  
subdivision intends to relocate or relocates part or all of its 22650  
operations to another political subdivision and has entered into 22651  
or intends to enter into an agreement under section 3735.671 of 22652  
the Revised Code with that political subdivision, the 22653  
legislative authority of the political subdivision to which that 22654  
person intends to relocate or relocates shall serve the 22655  
legislative authority of the subdivision from which that person 22656  
intends to relocate or relocates with notice of the person's 22657  
intention to relocate, accompanied by a copy of the agreement to 22658  
be entered into or entered into pursuant to section 3735.671 of 22659  
the Revised Code and a statement of the person's reasons for 22660  
relocation. The legislative authority also shall serve such 22661  
notice on the director of housing and development. In both 22662  
cases, service shall be by personal service or certified mail, 22663  
return receipt requested, not later than thirty days prior to 22664  
the day of the first public meeting at which the agreement is 22665  
deliberated by the legislative authority of the political 22666  
subdivision to which the person intends to relocate or 22667  
relocates. With the approval of the director of housing and 22668  
development, service shall be not later than fifteen days prior 22669  
to the day of the first public meeting of the legislative 22670  
authority at which the agreement is deliberated. The legislative 22671  
authority required to serve notice shall seek such approval by 22672  
applying to the director at the earliest possible time prior to 22673  
that meeting. The director may approve the later service if the 22674  
director determines that earlier notice is not possible or would 22675  
be likely to jeopardize realization of the project. If approval 22676  
for a later notice is applied for, the legislative authority 22677  
need not serve notice to the director as otherwise required by 22678  
this section. 22679

If the legislative authority required to serve such notice 22680  
fails to do so as prescribed by this section, the legislative 22681  
authority shall not enter into an agreement under that section 22682  
with that person. 22683

This section applies only to relocations of operations 22684  
that result or would result in the reduction of employment or 22685  
the cessation of operations at a place of business in this 22686  
state. 22687

**Sec. 3735.69.** (A) A community reinvestment area housing 22688  
council shall be appointed for each community reinvestment area, 22689  
as follows: 22690

(1) When the area is designated by a municipal 22691  
corporation, the council shall be composed of two members 22692  
appointed by the mayor of the municipal corporation, two members 22693  
appointed by the legislative authority of the municipal 22694  
corporation, and one member appointed by the planning commission 22695  
of the municipal corporation. The majority of the foregoing 22696  
members shall then appoint two additional members who shall be 22697  
residents of the municipal corporation. 22698

(2) When the area is designated by a limited home rule 22699  
township, the council shall be composed of two members appointed 22700  
by the board of trustees of the township, one member appointed 22701  
by the township law director, one member appointed by the 22702  
township zoning commission or, if the township has not 22703  
established such a commission, the county planning commission, 22704  
and one member appointed by the board of county commissioners of 22705  
the county where the area is located. 22706

(3) When the area is designated by a county, the council 22707  
shall be composed of one member appointed by each member of the 22708

board of county commissioners of the county where the area is 22709  
located and two members appointed by the county planning 22710  
commission. The majority of the foregoing members shall then 22711  
appoint two additional members who shall be residents of the 22712  
county. Terms of the members of the council shall be for three 22713  
years. 22714

An unexpired term resulting from a vacancy in the council 22715  
shall be filled in the same manner as the initial appointment 22716  
was made. 22717

The council shall make an annual inspection of the 22718  
properties within the community reinvestment area for which an 22719  
exemption has been granted under section 3735.67 of the Revised 22720  
Code. The council shall also hear appeals under section 3735.70 22721  
of the Revised Code. 22722

(B) On or before the thirty-first day of March each year, 22723  
any political subdivision that has created a community 22724  
reinvestment area under section 3735.66 of the Revised Code 22725  
shall submit to the director of housing and development a status 22726  
report summarizing the activities and projects for which an 22727  
exemption has been granted in that area. 22728

**Sec. 3742.32.** (A) The director of health shall appoint an 22729  
advisory council to assist in the ongoing development and 22730  
implementation of the child lead poisoning prevention program 22731  
created under section 3742.31 of the Revised Code. The advisory 22732  
council shall consist of the following members: 22733

(1) A representative of the department of medicaid; 22734

(2) A representative of the bureau of child care in the 22735  
department of job and family services; 22736

(3) A representative of the department of environmental 22737

protection; 22738

(4) A representative of the department of education and 22739  
workforce; 22740

(5) A representative of the department of housing and 22741  
development; 22742

(6) A representative of the Ohio apartment owner's 22743  
association; 22744

(7) A representative of the Ohio healthy homes network; 22745

(8) A representative of the Ohio environmental health 22746  
association; 22747

(9) An Ohio representative of the American coatings 22748  
association; 22749

(10) A representative from Ohio realtors; 22750

(11) A representative of the Ohio housing finance agency; 22751

(12) A physician knowledgeable in the field of lead 22752  
poisoning prevention; 22753

(13) A representative of the public. 22754

(B) The advisory council shall do both of the following: 22755

(1) Provide the director with advice regarding the 22756  
policies the child lead poisoning prevention program should 22757  
emphasize, preferred methods of financing the program, and any 22758  
other matter relevant to the program's operation; 22759

(2) Submit a report of the state's activities to the 22760  
governor, president of the senate, and speaker of the house of 22761  
representatives on or before the first day of March each year. 22762

(C) The advisory council is not subject to sections 101.82 22763

to 101.87 of the Revised Code. 22764

**Sec. 3746.121.** Upon receiving a request submitted under 22765  
section 122.16 of the Revised Code for verification of eligible 22766  
costs associated with a voluntary action incurred by the 22767  
applicant for the agreement under that section, a certified 22768  
professional shall submit to the director of housing and 22769  
development verification of the eligible costs associated with 22770  
the voluntary action as defined in section 122.16 of the Revised 22771  
Code. The verification shall be submitted in the form of an 22772  
affidavit subject to section 3746.20 of the Revised Code, shall 22773  
state that the information contained in the verification is true 22774  
to the best of the knowledge, information, and belief of the 22775  
certified professional, and shall be accompanied by any 22776  
receipts, invoices, canceled checks, or other documents 22777  
evidencing eligible costs associated with the voluntary action 22778  
that are provided by the applicant. Verification submitted under 22779  
this section does not constitute a finding or representation by 22780  
the certified professional that eligible costs associated with 22781  
the voluntary action are reasonable. 22782

**Sec. 3746.20.** (A) All of the following shall be submitted 22783  
by affidavit: 22784

(1) Any information, data, documents, or reports submitted 22785  
by any of the following to another person for the purposes of a 22786  
voluntary action conducted under this chapter and rules adopted 22787  
under it: 22788

(a) The person undertaking the voluntary action; 22789

(b) A certified professional; 22790

(c) Any other person who performed work that was conducted 22791  
to support a request for a no further action letter as provided 22792

in division (B) (2) of section 3746.10 of the Revised Code; 22793

(d) A certified laboratory; 22794

(e) An accredited laboratory. 22795

(2) Any information submitted by an environmental 22796  
professional to the director of environmental protection for the 22797  
purposes of complying with rules adopted under division (B) (5) 22798  
(a) or (c) of section 3746.04 of the Revised Code; 22799

(3) The verification of eligible costs associated with a 22800  
voluntary action submitted by a certified professional to the 22801  
director of housing and development pursuant to section 3746.121 22802  
of the Revised Code. 22803

(B) No person shall materially falsify, tamper with, or 22804  
render inaccurate any information, data, documents, or reports 22805  
generated for the purposes of or used in documenting or 22806  
preparing a no further action letter under this chapter or rules 22807  
adopted under it or verification of eligible costs under section 22808  
3746.121 of the Revised Code. 22809

Violation of this division is not falsification under 22810  
section 2921.13 of the Revised Code. 22811

(C) In accordance with rules adopted under division (B) (5) 22812  
(f) of section 3746.04 of the Revised Code, the director 22813  
permanently shall revoke the certification of a certified 22814  
professional who violates division (B) of this section. 22815

(D) No person, with purpose to deceive a certified 22816  
professional, accredited laboratory, or a contractor thereof, or 22817  
the environmental protection agency or a contractor thereof, 22818  
shall withhold, conceal, or destroy any data, information, 22819  
records, or documents relating to a voluntary action. 22820



**Sec. 3775.04.** (A) (1) A type A sports gaming proprietor 22821  
license authorizes a sports gaming proprietor to offer sports 22822  
gaming through one or more online sports pools. 22823

(2) (a) Except as otherwise provided under division (A) (2) 22824  
(b) of this section, the Ohio casino control commission shall 22825  
license not more than twenty-five type A sports gaming 22826  
proprietors at any one time. 22827

(b) When twenty-five type A sports gaming proprietors are 22828  
licensed in this state, the commission may issue additional type 22829  
A sports gaming proprietor licenses to eligible applicants who 22830  
demonstrate to the commission that the sports gaming market in 22831  
this state needs additional type A sports gaming proprietors. 22832

(3) A type A sports gaming proprietor shall meet at least 22833  
one of the following requirements at all times: 22834

(a) The type A sports gaming proprietor also shall operate 22835  
a sports gaming facility under a type B sports gaming proprietor 22836  
license. 22837

(b) The type A sports gaming proprietor shall maintain at 22838  
least one operational place of business in this state at which 22839  
the sports gaming proprietor regularly maintains multiple 22840  
employees. 22841

(4) The commission shall adopt by rule a procedure 22842  
allowing the commission to revoke a type A sports gaming 22843  
proprietor license if the licensee does not offer sports gaming 22844  
to patrons under the license for a continuous period of one year 22845  
or more. 22846

(B) (1) A type B sports gaming proprietor license 22847  
authorizes a sports gaming proprietor to offer sports gaming at 22848  
one sports gaming facility at a location specified on the 22849

license. 22850

(2) The commission shall license not more than forty type 22851  
B sports gaming proprietors at any one time. 22852

(3) (a) (i) Except as otherwise provided in division (B) (3) 22853  
(a) (ii) of this section, no sports gaming facility shall be 22854  
located in a county with a population of less than one hundred 22855  
thousand, as determined by the 2010 federal decennial census. 22856

(ii) The commission may issue an initial or renewed type B 22857  
sports gaming proprietor license for one sports gaming facility 22858  
to be located in a county with a population of fifty thousand or 22859  
more, but less than one hundred thousand, as determined by the 22860  
2010 federal decennial census, at any one time, if the 22861  
commission determines, in consultation with the department of 22862  
housing and development, that the county received at least five 22863  
million visitors for purposes of tourism during the most recent 22864  
calendar year for which the necessary data are available. 22865

(b) (i) Except as otherwise provided in division (B) (3) (b) 22866  
(ii) of this section, not more than one sports gaming facility 22867  
shall be located in a county with a population of one hundred 22868  
thousand or more, but less than four hundred thousand, as 22869  
determined by the 2010 federal decennial census, at any one 22870  
time. 22871

(ii) Not more than two sports gaming facilities shall be 22872  
located in a county with a population of one hundred thousand or 22873  
more, but less than four hundred thousand, as determined by the 22874  
2010 federal decennial census, at any one time, if a video 22875  
lottery sales agent operates video lottery terminals at a 22876  
facility in the county. 22877

(c) Not more than three sports gaming facilities shall be 22878

located in a county with a population of four hundred thousand 22879  
or more, but less than eight hundred thousand, as determined by 22880  
the 2010 federal decennial census, at any one time. 22881

(d) Not more than five sports gaming facilities shall be 22882  
located in a county with a population of eight hundred thousand 22883  
or more, as determined by the 2010 federal decennial census, at 22884  
any one time. 22885

(4) The commission shall issue an initial type B sports 22886  
gaming proprietor license only to a person who conducts 22887  
significant economic activity in the county in which the sports 22888  
gaming facility is to be located, as determined by the 22889  
commission in consultation with the department of housing and 22890  
development. 22891

(C) (1) A type C sports gaming proprietor license 22892  
authorizes a sports gaming proprietor to offer sports gaming 22893  
through self-service or clerk-operated sports gaming terminals 22894  
located at one or more type C sports gaming hosts' facilities 22895  
under section 3770.25 of the Revised Code. 22896

(2) The commission shall license at least two, and not 22897  
more than twenty, type C sports gaming proprietors at any one 22898  
time. However, if only one eligible and suitable person applies 22899  
for a type C sports gaming proprietor license, the commission 22900  
shall issue the license. 22901

(D) An applicant for an initial or renewed type A, type B, 22902  
or type C sports gaming proprietor license shall do all of the 22903  
following: 22904

(1) Submit a written application on a form furnished by 22905  
the commission. 22906

(a) If the application is for an initial type B sports 22907

gaming proprietor license, the application shall specify both of 22908  
the following: 22909

    (i) The intended location of the sports gaming facility 22910  
or, at a minimum, the county in which the sports gaming facility 22911  
is to be located if the license is granted; 22912

    (ii) The expected overall capital investment in the sports 22913  
gaming facility, including its size, furnishings, and equipment. 22914

    (b) If the application is for a renewed type B sports 22915  
gaming proprietor license, the application shall specify one of 22916  
the following, as applicable: 22917

        (i) If the sports gaming proprietor does not intend to 22918  
relocate the sports gaming facility, the location of the sports 22919  
gaming facility; 22920

        (ii) If the sports gaming proprietor intends to relocate 22921  
the sports gaming facility, the intended new location of the 22922  
sports gaming facility or, at a minimum, the county in which the 22923  
sports gaming facility is to be located if the renewal is 22924  
granted. 22925

    (2) Pay the fee required under division (C) (3) of section 22926  
109.572 of the Revised Code, along with a nonrefundable 22927  
application fee in an amount prescribed by the commission by 22928  
rule; 22929

    (3) Submit an audit of the applicant's financial 22930  
transactions and the condition of the applicant's total 22931  
operations for the previous fiscal year prepared by a certified 22932  
public accountant in accordance with generally accepted 22933  
accounting principles and state and federal laws; 22934

    (4) Satisfy any other requirements for licensure under 22935

this chapter and rules adopted under this chapter. 22936

(E) After receiving a sports gaming proprietor license, 22937  
the sports gaming proprietor shall pay the following 22938  
nonrefundable license fees, as applicable, not later than the 22939  
dates indicated, and shall give to the state a surety bond, in 22940  
an amount and in the form approved by the commission, to 22941  
guarantee that the sports gaming proprietor faithfully makes all 22942  
payments required by this chapter and rules adopted under this 22943  
chapter during the period of the license: 22944

(1) For an initial or renewed type A sports gaming 22945  
proprietor license: 22946

22947

|   | 1                 | 2           | 3         | 4         | 5         | 6         |
|---|-------------------|-------------|-----------|-----------|-----------|-----------|
| A |                   | Upon        | One year  | Two years | Three     | Four      |
|   |                   | issuance of | after     | after     | years     | years     |
|   |                   | license     | license   | license   | after     | after     |
|   |                   |             | issued    | issued    | license   | license   |
|   |                   |             |           |           | issued    | issued    |
| B | Initial or        | \$500,000   | \$125,000 | \$125,000 | \$125,000 | \$125,000 |
|   | renewed license - |             |           |           |           |           |
|   | type A sports     |             |           |           |           |           |
|   | gaming proprietor |             |           |           |           |           |
|   | that is a         |             |           |           |           |           |
|   | professional      |             |           |           |           |           |
|   | sports            |             |           |           |           |           |
|   | organization and  |             |           |           |           |           |
|   | that is not       |             |           |           |           |           |

contracting with  
more than one  
mobile management  
services provider

|   |  |             |           |           |           |           |
|---|--|-------------|-----------|-----------|-----------|-----------|
| C | Initial or renewed license - any other type A sports gaming proprietor that is not contracting with more than one mobile management services provider              | \$750,000   | \$187,500 | \$187,500 | \$187,500 | \$187,500 |
| D | Initial license - type A sports gaming proprietor that is a professional sports organization and that is contracting with two mobile management services providers | \$1,666,667 | \$416,667 | \$416,667 | \$416,667 | \$416,667 |
| E | Initial license - any other type A   | \$2,500,000 | \$625,000 | \$625,000 | \$625,000 | \$625,000 |

sports gaming  
proprietor that  
is contracting  
with two mobile  
management  
services  
providers

|   |  |           |           |           |           |           |
|---|--|-----------|-----------|-----------|-----------|-----------|
| F | Renewed license -<br>type A sports<br>gaming proprietor<br>that is a<br>professional<br>sports<br>organization and<br>that is<br>contracting with<br>two mobile<br>management<br>services<br>providers | \$500,000 | \$125,000 | \$125,000 | \$125,000 | \$125,000 |
|---|--|-----------|-----------|-----------|-----------|-----------|

|   |   |           |           |           |           |           |
|---|---|-----------|-----------|-----------|-----------|-----------|
| G | Renewed license -<br>any other type A<br>sports gaming<br>proprietor that<br>is contracting<br>with two mobile<br>management<br>services<br>providers | \$750,000 | \$187,500 | \$187,500 | \$187,500 | \$187,500 |
|---|---|-----------|-----------|-----------|-----------|-----------|

(2) For an initial or renewed type B sports gaming proprietor license: 22948  
22949

22950

|   | 1  | 2                                 | 3                                      | 4                                       | 5  | 6   |
|---|--|-----------------------------------|--|---|--|---|
| A |  | Upon<br>issuance<br>of<br>license | One year<br>after<br>license<br>issued | Two years<br>after<br>license<br>issued | Three<br>years<br>after<br>license<br>issued | Four<br>years<br>after<br>license<br>issued |
| B | Type B sports<br>gaming proprietor<br>that is also a<br>type A sports<br>gaming proprietor     | \$100,000                         | \$10,000                               | \$10,000                                | \$10,000                                     | \$10,000                                    |
| C | Type B sports<br>gaming proprietor<br>that is not also<br>a type A sports<br>gaming proprietor | \$50,000                          | \$10,000                               | \$10,000                                | \$10,000                                     | \$10,000                                    |

(3) For a type C sports gaming proprietor license, one 22951  
hundred thousand dollars upon being issued an initial license 22952  
and twenty-five thousand dollars upon being issued a renewed 22953  
license. 22954

(F) (1) A sports gaming proprietor license shall be valid 22955  
for a term of five years. 22956

(2) Upon the expiration of a sports gaming proprietor 22957



license, the sports gaming proprietor may apply to renew the 22958  
license in the same manner as for an initial license, unless the 22959  
license is suspended or revoked or the commission determines 22960  
that the sports gaming proprietor is not in compliance with this 22961  
chapter and the rules adopted under this chapter. 22962

**Sec. 3780.03. Establishment and authority of division of 22963**  
**cannabis control; adoption of rules. 22964**

(A) There is hereby established a division of cannabis control 22965  
within the department of commerce. 22966

(B) To ensure the proper oversight and control of the adult use 22967  
cannabis industry, the division of cannabis control shall have 22968  
the authority to license, regulate, investigate, and penalize 22969  
adult use cannabis operators, adult use testing laboratories, 22970  
and individuals required to be licensed under this chapter. 22971

(C) The division of cannabis control shall adopt, and as 22972  
advisable and necessary shall amend or repeal, rules on the 22973  
following: 22974

(1) Prevention of practices detrimental to the public interest 22975  
consistent with this chapter, and also ways to educate the 22976  
public about this chapter; 22977

(2) Establishing application, licensure, and renewal standards 22978  
and procedures for license applicants or license holders related 22979  
to adult use cannabis operators, adult use testing laboratories, 22980  
and individuals required to be licensed, including any 22981  
additional background check requirements, the disqualifying 22982  
offenses under section 3780.01 of the Revised Code that prohibit 22983  
licensure, and any exemption criteria from licensing 22984  
requirements for institutional or private investors who do not 22985  
have significant control or influence over a license applicant 22986

or license holder, and whose ownership in a license is for 22987  
investment purposes only; 22988

(3) Establishing reasonable application, licensure, and renewal 22989  
fees amounts to ensure license applicants and license holders 22990  
under this chapter pay for the actual costs for administration 22991  
and licensure for the division of cannabis control; 22992

(4) Establishing standards for provisional licenses for an 22993  
individual who is required to be licensed and who has exigent 22994  
circumstances. Such standards for provisional licenses must 22995  
include submission of a complete application and compliance with 22996  
a required background check. A provisional license shall be 22997  
valid not longer than three months. A provisional license may be 22998  
renewed, at the division of cannabis control's discretion, for 22999  
an additional three months. In establishing standards with 23000  
regard to instant background checks the division of cannabis 23001  
control may use all available resources~~+~~. 23002

(5) Specifying the process and reasons for which a license 23003  
holder may be fined, suspended either with or without a prior 23004  
hearing, revoked, or not renewed or issued; 23005

(6) The process and requirements for division of cannabis 23006  
control approval of any requested change in ownership or 23007  
transfer of control of an adult use cannabis operator or adult 23008  
use testing laboratory; 23009

(7) Establishing ~~process~~ processes and standards for expanding 23010  
the size of the cultivation area for a cultivation facility; 23011

(8) Establishing standards and procedures for the testing of 23012  
adult use cannabis by an adult use testing laboratory licensed 23013  
under this chapter. When establishing standards and procedures 23014  
for the testing of cannabis, the division of cannabis control 23015

shall do all of the following: 23016

(a) Specify when testing must be conducted; 23017

(b) Determine the minimum amount of adult use cannabis that must 23018  
be tested; 23019

(c) Specify the manner in which testing is to be conducted in an 23020  
effort to ensure uniformity of cannabis products processed ~~for~~ 23021  
and dispensed; and 23022

(d) Specify the manner in which test results are provided. 23023

(9) The minimum amount of insurance or surety bond that must be 23024  
maintained by an adult use cannabis operator and adult use 23025  
testing laboratory; 23026

(10) Requiring the division of cannabis control to adopt 23027  
reasonable standards for any adult use cannabis samples, and 23028  
advertising as prescribed in section 3780.21 of the Revised 23029  
Code; 23030

(11) Requiring that the records, including financial statements, 23031  
of an adult use cannabis operator or adult use testing 23032  
laboratory be maintained in the manner up to two years as 23033  
prescribed by the division of cannabis control and which shall 23034  
be made available for inspection upon demand by the division of 23035  
cannabis control, but shall be subject to section 3780.31 of the 23036  
Revised Code; 23037

(12) Prescribing technical standards and requirements consistent 23038  
with industry standards that must be met for security and 23039  
surveillance equipment necessary for the provision of security 23040  
and surveillance of adult use cannabis operators and adult use 23041  
testing laboratories; 23042

(13) Prescribing requirements for a license holder's provision 23043

of security services for an adult use cannabis operator and 23044  
adult use testing laboratories which shall include the license 23045  
holder's option to use armed or unarmed services including 23046  
through agents of the license holder; 23047

(14) Prescribing standards according to which license holders 23048  
shall keep accounts and standards according to which adult use 23049  
cannabis operators and adult use testing laboratories accounts 23050  
shall be audited, and establish guidance for assisting the 23051  
department of taxation in levying and collecting the adult use 23052  
tax levied under section 3780.22 of the Revised Code; 23053

(15) Determining penalties for violation of division of cannabis 23054  
control rules or this chapter, and a process for imposing such 23055  
penalties; 23056

(16) Training requirements for employees and agents of adult use 23057  
cannabis operators and adult use laboratories; 23058

(17) Prescribing standards and procedures to allow for adult use 23059  
cannabis delivery to adult use consumers, and online and mobile 23060  
ordering procedures, which may only be conducted by an adult use 23061  
dispensary or their agent; 23062

(18) Prescribing cannabis inventory requirements to be 23063  
maintained in an electronic database consistent with section 23064  
3780.05 of the Revised Code; 23065

(19) Prescribing standards and procedures for product packaging 23066  
and labeling of adult use cannabis products; 23067

(20) Prescribing standards and procedures in coordination with 23068  
the department of housing and development to administer and 23069  
enforce the cannabis social equity and jobs program as 23070  
prescribed under section 3780.19 of the Revised Code; 23071

(21) Establishing a tetrahydrocannabinol content limit for adult use cannabis, which for plant material the content limit shall be ~~no-not~~ less than thirty-five per cent and for extracts the content limit shall be ~~no-not~~ less than ninety per cent, but that such content limits may be increased or eliminated by the division of cannabis control; and

(22) Prescribing duty to update requirements for license holders.

(D) All rules adopted under this section and chapter shall be adopted in accordance with Chapter 119. of the Revised Code.

(E) In addition to the rules described in division (C) of this section, the division of cannabis control may adopt any other rules it considers necessary for the administration, implementation, and enforcement of this chapter consistent with this chapter.

(F) When adopting rules under this section, the division of cannabis control shall consider standards and procedures that have been found to be best practices relative to the use and regulation of adult use cannabis and shall harmonize any rules with the rules adopted pursuant to sections 3796.03 and 3796.04 of the Revised Code to minimize duplication of operational requirements and fees as much as possible. If there is a conflict with Chapter 3796. of the Revised Code and related rules, and ~~chapter-Chapter~~ 3780. of the Revised Code and related rules, then ~~chapter-Chapter~~ 3780. of the Revised Code and related rules shall govern.

**Sec. 3780.19. Cannabis social equity and jobs program.**

(A) As used in this section, "cannabis social equity and jobs program participant" means a person certified as a participant

in the cannabis social equity and jobs program by the department 23101  
of housing and development under this section ~~of the Revised~~ 23102  
~~Code~~. 23103

(B) The department of housing and development shall establish a 23104  
business assistance program known as the cannabis social equity 23105  
and jobs program funded by the cannabis social equity and jobs 23106  
fund, and shall adopt rules in accordance with Chapter 119, of 23107  
the Revised Code to administer the program including the 23108  
following: 23109

(1) Establish procedures by which a person may apply for 23110  
certification under the cannabis social equity and jobs program; 23111

(2) Establish a system of certifying cannabis social equity and 23112  
~~job~~ jobs program applicants based on a requirement that the 23113  
business owner or owners show both social and economic 23114  
disadvantage based on the following, as determined to be 23115  
sufficient by the department of housing and development: 23116

(a) Wealth of the business seeking certification as well as the 23117  
personal wealth of the owner or owners of the business ~~;~~ 23118

(b) Social disadvantage based on any of the following: 23119

(i) The business owner or owners demonstrate membership in a 23120  
racial minority group or show personal disadvantage due to 23121  
color, ethnic origin, gender, physical disability, or long-term 23122  
residence in an area of high unemployment; 23123

(ii) The owner or owners, or their spouse, child, or parent, 23124  
have been arrested for, convicted of, or adjudicated delinquent 23125  
for a marijuana related offense as determined by rule by the 23126  
department of housing and development prior to the effective 23127  
date of this section. 23128

(c) Economic disadvantage based on economic and business size 23129  
thresholds and eligibility criteria designed to stimulate 23130  
economic development through license awards to businesses 23131  
located in qualified census tracts. 23132

(3) Establish standards to determine when a cannabis social 23133  
equity and jobs program participant no longer qualifies for 23134  
cannabis social equity and jobs program certification; 23135

(4) Develop a process for evaluating and adjusting goals 23136  
established by this section to determine what adjustments are 23137  
necessary to achieve participation goals established by the 23138  
department of housing and development; 23139

(5) Implement an outreach program to educate potential 23140  
participants about the cannabis social equity and jobs program; 23141

(6) Implement a system of self-reporting by cannabis social 23142  
equity and jobs program participants on compliance, as well as 23143  
an on-site inspection process to validate the qualifications of 23144  
a cannabis social equity and jobs program; 23145

(7) Establish a process for when there is a transfer of a 23146  
license from a certified cannabis social equity and jobs program 23147  
participant to a person or entity that does not qualify as a 23148  
participant to the cannabis social equity and jobs program, 23149  
which process shall not undermine the policy goals of the 23150  
program; 23151

(8) Provide financial assistance, loans, grants, and technical 23152  
assistance to persons certified by the department under the 23153  
cannabis social equity and jobs program pursuant to rules 23154  
adopted under this section. Notwithstanding any other law to the 23155  
contrary, the cannabis social equity and jobs program fund is 23156  
not subject to budgetary sweeps, administrative charge-backs, or 23157

any other fiscal or budgetary maneuver that would in any way 23158  
transfer any amounts from the cannabis social equity and jobs 23159  
program fund into any other fund of the state; 23160

(9) Encourage employment practices, in which an adult use 23161  
cannabis operator can demonstrate a plan of action to inform, 23162  
hire, and educate minorities, women, veterans, and persons with 23163  
disabilities; ~~and~~ engage in fair labor practices; ~~and~~ provide 23164  
worker protections; 23165

(10) Study and fund judicial and criminal justice reform 23166  
including bail, parole, sentencing reform, expungement and 23167  
sealing of records, legal aid, and community policing related to 23168  
marijuana; 23169

(11) Study and propose policy reforms to address the social and 23170  
economic impacts of the enforcement of marijuana laws and to 23171  
track and prevent underage use of marijuana; 23172

(12) Fund direct investment in disproportionately impacted 23173  
communities to enhance education, entrepreneurship, legal aid, 23174  
youth development, violence prevention, and the arts related to 23175  
the program; and 23176

(13) Utilize the cannabis social equity and jobs fund 23177  
exclusively for the purposes of this section and for the 23178  
implementation of this section. 23179

(C) For certified cannabis social equity and job program 23180  
participants, the division of cannabis control shall waive at 23181  
least fifty ~~percent~~ per cent of any license or application fees 23182  
associated with a license holder's application or license. 23183

(D) Any business or personal financial information, or trade 23184  
secrets submitted by a cannabis social equity and jobs program 23185  
applicant to the department of housing and development pursuant 23186



to this section are not public records for purposes of section 23187  
149.43 of the Revised Code, unless the division of cannabis 23188  
control or department of housing and development is required to 23189  
present the financial information or trade secrets at a public 23190  
hearing or public proceeding regarding the applicant's 23191  
eligibility to participate in the program in which case the 23192  
agency shall only disclose any required information. 23193

(E) Any license or other preference to persons certified under 23194  
the cannabis social equity and jobs program under this section 23195  
shall be based on substantiated evidence that the preference is 23196  
needed to address the goals of cannabis social equity and ~~job~~ 23197  
jobs program under this chapter. 23198

(F) The department of housing and development shall create a 23199  
cannabis social equity and jobs program advisory group 23200  
promulgated through rule in accordance with Chapter 119. of the 23201  
Revised Code. The advisory group may develop and submit to the 23202  
department of housing and development ~~on~~ any recommendations 23203  
related to the cannabis social equity and jobs program under 23204  
sections 3780.18 and 3780.19 of the Revised Code. 23205

**Sec. 4121.123.** (A) There is hereby created the workers' 23206  
compensation board of directors nominating committee consisting 23207  
of the following: 23208

(1) Three individuals who are members of affiliated 23209  
employee organizations of the Ohio chapter of the American 23210  
federation of labor-congress of industrial organizations, who 23211  
are selected by the Ohio chapter of the American federation of 23212  
labor-congress of industrial organizations and who, on account 23213  
of their previous vocation, employment, or affiliations, can be 23214  
classed as representative of employees who are members of an 23215  
employee organization. Terms of office shall be for one year, 23216

with each term ending on the same day of the same month as did 23217  
the term that it succeeds. 23218

(2) Two individuals who, on account of their previous 23219  
vocation, employment, or affiliations, can be classed as 23220  
representative of employees, one of whom shall be an injured 23221  
worker with a valid, open, and active workers' compensation 23222  
claim and at least one of these two representatives also shall 23223  
represent employees who are not members of an employee 23224  
organization. The president of the senate and the speaker of the 23225  
house of representatives each shall appoint annually one of 23226  
these members. The member who is an injured worker shall serve 23227  
for a full term even if the member's workers' compensation claim 23228  
is invalidated, closed, or inactivated during the member's term. 23229

(3) The chief executive officer, or the equivalent of the 23230  
chief executive officer, of the Ohio chamber of commerce, the 23231  
Ohio manufacturers' association, the Ohio self-insurers' 23232  
association, the Ohio council of retail merchants, the national 23233  
federation of independent business, and the Ohio farm bureau; 23234

(4) The director of housing and development; 23235

(5) The president of the Ohio township association and the 23236  
president of the Ohio county commissioners association, or if 23237  
any of the following circumstances apply: 23238

(a) In the event of a vacancy in either presidency, a 23239  
designee appointed by the governing body authorized to appoint 23240  
the president. A designee so appointed shall serve on the 23241  
nominating committee only until the vacancy in the presidency is 23242  
filled. 23243

(b) In the event that the president of the Ohio township 23244  
association is unavailable, a designee selected by the 23245

president; 23246

(c) In the event that the president of the Ohio county 23247  
commissioners association is unavailable, a designee selected by 23248  
the president. 23249

(B) Each member appointed under divisions (A) (1) and (2) 23250  
of this section shall hold office from the date of the member's 23251  
appointment until the end of the term for which the member was 23252  
appointed. Such members may be reappointed. Vacancies shall be 23253  
filled in the manner provided for original appointments. Any 23254  
such member appointed to fill a vacancy occurring prior to the 23255  
expiration date of the term for which the member's predecessor 23256  
was appointed shall hold office as a member for the remainder of 23257  
that term. Such a member shall continue in office subsequent to 23258  
the expiration date of the member's term until the member's 23259  
successor takes office or until a period of sixty days has 23260  
elapsed, whichever occurs first. 23261

(C) The nominating committee shall meet at the request of 23262  
the governor or as the nominating committee determines 23263  
appropriate in order to make recommendations to the governor for 23264  
the appointment of members of the bureau of workers' 23265  
compensation board of directors under section 4121.12 of the 23266  
Revised Code. 23267

(D) The director of housing and development shall serve as 23268  
chairperson of the nominating committee and have no voting 23269  
rights on matters coming before the nominating committee, except 23270  
that the director may vote in the event of a tie vote of the 23271  
nominating committee. Annually, the nominating committee shall 23272  
select a secretary from among its members. The nominating 23273  
committee may adopt by-laws governing its proceedings. 23274

(E) Members of the nominating committee shall be paid 23275  
their reasonable and necessary expenses pursuant to section 23276  
126.31 of the Revised Code while engaged in the performance of 23277  
their duties as members of the nominating committee. 23278

(F) The nominating committee shall: 23279

(1) Review and evaluate possible appointees for the board. 23280  
In reviewing and evaluating possible appointees for the board, 23281  
the nominating committee may accept comments from, cooperate 23282  
with, and request information from any person. 23283

(2) Make recommendations to the governor for the 23284  
appointment of members to the board as provided in division (C) 23285  
of section 4121.12 of the Revised Code. 23286

(G) The nominating committee may make recommendations to 23287  
the general assembly concerning changes in legislation that will 23288  
assist the nominating committee in the performance of its 23289  
duties. 23290

**Sec. 4164.04.** There is hereby created and constituted 23291  
within the department of housing and development, the Ohio 23292  
nuclear development authority. The authority's exercise of 23293  
powers conferred by this chapter is the performance of an 23294  
essential governmental function and addresses matters of public 23295  
necessity for which public moneys may be spent. 23296

**Sec. 4164.12.** For the purpose of carrying out the Ohio 23297  
nuclear development authority's duties under the Revised Code, 23298  
the authority may make use of the staff and experts employed at 23299  
the department of housing and development in such manner as is 23300  
provided by mutual arrangement between the authority and the 23301  
department. 23302

**Sec. 4301.17.** (A) (1) Subject to local option as provided 23303

in sections 4301.32 to 4301.40 of the Revised Code, five state 23304  
liquor stores or agencies may be established in each county. One 23305  
additional store may be established in any county for each 23306  
twenty thousand of population of that county or major fraction 23307  
thereof in excess of the first forty thousand, according to the 23308  
last preceding federal decennial census or according to the 23309  
population estimates certified by the department of housing and 23310  
development between decennial censuses. A person engaged in a 23311  
mercantile business may act as the agent for the division of 23312  
liquor control for the sale of spirituous liquor in a municipal 23313  
corporation, in the unincorporated area of a township, or in an 23314  
area designated and approved as a resort area under section 23315  
4303.262 of the Revised Code. The division shall fix the 23316  
compensation for such an agent in the manner it considers best, 23317  
but the compensation shall not exceed seven per cent of the 23318  
gross sales made by the agent in any one year. 23319

(2) The division shall adopt rules in accordance with 23320  
Chapter 119. of the Revised Code governing the allocation and 23321  
equitable distribution of agency store contracts. The division 23322  
shall comply with the rules when awarding a contract under 23323  
division (A)(1) of this section. 23324

(3) Pursuant to an agency store's contract, an agency 23325  
store may be issued a D-1 permit to sell beer, a D-2 permit to 23326  
sell wine and mixed beverages, and a D-5 permit to sell beer, 23327  
wine, mixed beverages, and spirituous liquor. 23328

(4) Pursuant to an agency store's contract, an agency 23329  
store may be issued a D-3 permit to sell spirituous liquor if 23330  
the agency store contains at least ten thousand square feet of 23331  
sales floor area. A D-3 permit issued to an agency store shall 23332  
not be transferred to a new location. The division shall revoke 23333

any D-3 permit issued to an agency store under division (A) (4) 23334  
of this section if the agent no longer operates the agency 23335  
store. The division shall not issue a D-3a permit to an agency 23336  
store. 23337

(5) An agency store to which a D-8 permit has been issued 23338  
may allow the sale of tasting samples of spirituous liquor in 23339  
accordance with section 4301.171 of the Revised Code. 23340

(6) An agency store may sell beer, wine, mixed beverages, 23341  
and spirituous liquor only between the hours of nine a.m. and 23342  
eleven p.m. 23343

(B) When an agency contract is proposed, when an existing 23344  
agency contract is assigned, when an existing agency proposes to 23345  
relocate, or when an existing agency is relocated and assigned, 23346  
before entering into any contract, consenting to any assignment, 23347  
or consenting to any relocation, the division shall notify the 23348  
legislative authority of the municipal corporation in which the 23349  
agency store is to be located, or the board of county 23350  
commissioners and the board of township trustees of the county 23351  
and the township in which the agency store is to be located if 23352  
the agency store is to be located outside the corporate limits 23353  
of a municipal corporation, of the proposed contract, 23354  
assignment, or relocation, and an opportunity shall be provided 23355  
officials or employees of the municipal corporation or county 23356  
and township for a complete hearing upon the advisability of 23357  
entering into the contract or consenting to the assignment or 23358  
relocation. When the division sends notice to the legislative 23359  
authority of the political subdivision, the division shall 23360  
notify the chief peace officer of the political subdivision, who 23361  
may appear and testify, either in person or through a 23362  
representative, at any hearing held on the advisability of 23363

entering into the contract or consenting to the assignment or 23364  
relocation. 23365

If the proposed agency store, the assignment of an agency 23366  
contract, or the relocation of an agency store would be located 23367  
within five hundred feet of a school, church, library, public 23368  
playground, or township park, the division shall not enter into 23369  
an agency contract until it has provided notice of the proposed 23370  
contract to the authorities in control of the school, church, 23371  
library, public playground, or township park and has provided 23372  
those authorities with an opportunity for a complete hearing 23373  
upon the advisability of entering into the contract. If an 23374  
agency store so located is operating under an agency contract, 23375  
the division may consent to relocation of the agency store or to 23376  
the assignment of that contract to operate an agency store at 23377  
the same location. The division may also consent to the 23378  
assignment of an existing agency contract simultaneously with 23379  
the relocation of the agency store. In any such assignment or 23380  
relocation, the assignee and the location shall be subject to 23381  
the same requirements that the existing location met at the time 23382  
that the contract was first entered into as well as any 23383  
additional requirements imposed by the division in rules adopted 23384  
by the superintendent of liquor control. The division shall not 23385  
consent to an assignment or relocation of an agency store until 23386  
it has notified the authorities in control of the school, 23387  
church, library, public playground, or township park and has 23388  
provided those authorities with an opportunity for a complete 23389  
hearing upon the advisability of consenting to the assignment or 23390  
relocation. 23391

Any hearing provided for in this division shall be held in 23392  
the central office of the division, except that upon written 23393  
request of the legislative authority of the municipal 23394

corporation, the board of county commissioners, the board of 23395  
township trustees, or the authorities in control of the school, 23396  
church, library, public playground, or township park, the 23397  
hearing shall be held in the county seat of the county where the 23398  
proposed agency store is to be located. 23399

(C) All agency contracts entered into by the division 23400  
pursuant to this section shall be in writing and shall contain a 23401  
clause providing for the termination of the contract at will by 23402  
the division upon its giving ninety days' notice in writing to 23403  
the agent of its intention to do so. Any agency contract may 23404  
include a clause requiring the agent to report to the 23405  
appropriate law enforcement agency the name and address of any 23406  
individual under twenty-one years of age who attempts to make an 23407  
illegal purchase. 23408

The division shall issue a C-1 and C-2 permit to each 23409  
agent who prior to November 1, 1994, had not been issued both of 23410  
these permits, notwithstanding the population quota restrictions 23411  
contained in section 4303.29 of the Revised Code or in any rule 23412  
of the liquor control commission and notwithstanding the 23413  
requirements of section 4303.31 of the Revised Code. The 23414  
location of a C-1 or C-2 permit issued to such an agent shall 23415  
not be transferred. The division shall revoke any C-1 or C-2 23416  
permit issued to an agent under this paragraph if the agent no 23417  
longer operates an agency store. 23418

The division may enter into agreements with the department 23419  
of housing and development to implement a minority loan program 23420  
to provide low-interest loans to minority business enterprises, 23421  
as defined in section 122.71 of the Revised Code, that are 23422  
awarded liquor agency contracts or assignments. 23423

(D) If the division closes a state liquor store and 23424



replaces that store with an agency store, any employees of the 23425  
division employed at that state liquor store who lose their jobs 23426  
at that store as a result shall be given preference by the agent 23427  
who operates the agency store in filling any vacancies that 23428  
occur among the agent's employees, if that preference does not 23429  
conflict with the agent's obligations pursuant to a collective 23430  
bargaining agreement. 23431

If the division closes a state liquor store and replaces 23432  
the store with an agency store, any employees of the division 23433  
employed at the state liquor store who lose their jobs at that 23434  
store as a result may displace other employees as provided in 23435  
sections 124.321 to 124.328 of the Revised Code. If an employee 23436  
cannot displace other employees and is laid off, the employee 23437  
shall be reinstated in another job as provided in sections 23438  
124.321 to 124.328 of the Revised Code, except that the 23439  
employee's rights of reinstatement in a job at a state liquor 23440  
store shall continue for a period of two years after the date of 23441  
the employee's layoff and shall apply to jobs at state liquor 23442  
stores located in the employee's layoff jurisdiction and any 23443  
layoff jurisdiction adjacent to the employee's layoff 23444  
jurisdiction. 23445

(E) The division shall require every agent to give bond 23446  
with surety to the satisfaction of the division, in the amount 23447  
the division fixes, conditioned for the faithful performance of 23448  
the agent's duties as prescribed by the division. 23449

**Sec. 4303.181.** (A) Permit D-5a may be issued either to the 23450  
owner or operator of a hotel or motel that is required to be 23451  
licensed under section 3731.03 of the Revised Code, that 23452  
contains at least fifty rooms for registered transient guests or 23453  
is owned by a state institution of higher education as defined 23454

in section 3345.011 of the Revised Code or a private college or 23455  
university, and that qualifies under the other requirements of 23456  
this section, or to the owner or operator of a restaurant 23457  
specified under this section, to sell beer and any intoxicating 23458  
liquor at retail, only by the individual drink in glass and from 23459  
the container, for consumption on the premises where sold, and 23460  
to registered guests in their rooms, which may be sold by means 23461  
of a controlled access alcohol and beverage cabinet in 23462  
accordance with division (B) of section 4301.21 of the Revised 23463  
Code; and to sell the same products in the same manner and 23464  
amounts not for consumption on the premises as may be sold by 23465  
holders of D-1 and D-2 permits. The premises of the hotel or 23466  
motel shall include a retail food establishment or a food 23467  
service operation licensed pursuant to Chapter 3717. of the 23468  
Revised Code that operates as a restaurant for purposes of this 23469  
chapter and that is affiliated with the hotel or motel and 23470  
within or contiguous to the hotel or motel, and that serves food 23471  
within the hotel or motel, but the principal business of the 23472  
owner or operator of the hotel or motel shall be the 23473  
accommodation of transient guests. In addition to the privileges 23474  
authorized in this division, the holder of a D-5a permit may 23475  
exercise the same privileges, and shall observe the same hours 23476  
of operation, as the holder of a D-5 permit. 23477

The owner or operator of a hotel, motel, or restaurant who 23478  
qualified for and held a D-5a permit on August 4, 1976, may, if 23479  
the owner or operator held another permit before holding a D-5a 23480  
permit, either retain a D-5a permit or apply for the permit 23481  
formerly held, and the division of liquor control shall issue 23482  
the permit for which the owner or operator applies and formerly 23483  
held, notwithstanding any quota. 23484

A D-5a permit shall not be transferred to another 23485

location. No quota restriction shall be placed on the number of 23486  
D-5a permits that may be issued. 23487

The fee for this permit is two thousand three hundred 23488  
forty-four dollars. 23489

(B) Permit D-5b may be issued to the owner, operator, 23490  
tenant, lessee, or occupant of an enclosed shopping center to 23491  
sell beer and intoxicating liquor at retail, only by the 23492  
individual drink in glass and from the container, for 23493  
consumption on the premises where sold; and to sell the same 23494  
products in the same manner and amount not for consumption on 23495  
the premises as may be sold by holders of D-1 and D-2 permits. 23496  
In addition to the privileges authorized in this division, the 23497  
holder of a D-5b permit may exercise the same privileges, and 23498  
shall observe the same hours of operation, as a holder of a D-5 23499  
permit. 23500

A D-5b permit shall not be transferred to another 23501  
location. 23502

One D-5b permit may be issued at an enclosed shopping 23503  
center containing at least two hundred twenty-five thousand, but 23504  
less than four hundred thousand, square feet of floor area. 23505

Two D-5b permits may be issued at an enclosed shopping 23506  
center containing at least four hundred thousand square feet of 23507  
floor area. No more than one D-5b permit may be issued at an 23508  
enclosed shopping center for each additional two hundred 23509  
thousand square feet of floor area or fraction of that floor 23510  
area, up to a maximum of five D-5b permits for each enclosed 23511  
shopping center. The number of D-5b permits that may be issued 23512  
at an enclosed shopping center shall be determined by 23513  
subtracting the number of D-3 and D-5 permits issued in the 23514

enclosed shopping center from the number of D-5b permits that 23515  
otherwise may be issued at the enclosed shopping center under 23516  
the formulas provided in this division. Except as provided in 23517  
this section, no quota shall be placed on the number of D-5b 23518  
permits that may be issued. Notwithstanding any quota provided 23519  
in this section, the holder of any D-5b permit first issued in 23520  
accordance with this section is entitled to its renewal in 23521  
accordance with section 4303.271 of the Revised Code. 23522

The holder of a D-5b permit issued before April 4, 1984, 23523  
whose tenancy is terminated for a cause other than nonpayment of 23524  
rent, may return the D-5b permit to the division of liquor 23525  
control, and the division shall cancel that permit. Upon 23526  
cancellation of that permit and upon the permit holder's payment 23527  
of taxes, contributions, premiums, assessments, and other debts 23528  
owing or accrued upon the date of cancellation to this state and 23529  
its political subdivisions and a filing with the division of a 23530  
certification of that payment, the division shall issue to that 23531  
person either a D-5 permit, or a D-1, a D-2, and a D-3 permit, 23532  
as that person requests. The division shall issue the D-5 23533  
permit, or the D-1, D-2, and D-3 permits, even if the number of 23534  
D-1, D-2, D-3, or D-5 permits currently issued in the municipal 23535  
corporation or in the unincorporated area of the township where 23536  
that person's proposed premises is located equals or exceeds the 23537  
maximum number of such permits that can be issued in that 23538  
municipal corporation or in the unincorporated area of that 23539  
township under the population quota restrictions contained in 23540  
section 4303.29 of the Revised Code. Any D-1, D-2, D-3, or D-5 23541  
permit so issued shall not be transferred to another location. 23542  
If a D-5b permit is canceled under the provisions of this 23543  
paragraph, the number of D-5b permits that may be issued at the 23544  
enclosed shopping center for which the D-5b permit was issued, 23545

under the formula provided in this division, shall be reduced by 23546  
one if the enclosed shopping center was entitled to more than 23547  
one D-5b permit under the formula. 23548

The fee for this permit is two thousand three hundred 23549  
forty-four dollars. 23550

(C) Permit D-5c may be issued to the owner or operator of 23551  
a retail food establishment or a food service operation licensed 23552  
pursuant to Chapter 3717. of the Revised Code that operates as a 23553  
restaurant for purposes of this chapter and that qualifies under 23554  
the other requirements of this section to sell beer and any 23555  
intoxicating liquor at retail, only by the individual drink in 23556  
glass and from the container, for consumption on the premises 23557  
where sold, and to sell the same products in the same manner and 23558  
amounts not for consumption on the premises as may be sold by 23559  
holders of D-1 and D-2 permits. In addition to the privileges 23560  
authorized in this division, the holder of a D-5c permit may 23561  
exercise the same privileges, and shall observe the same hours 23562  
of operation, as the holder of a D-5 permit. 23563

To qualify for a D-5c permit, the owner or operator of a 23564  
retail food establishment or a food service operation licensed 23565  
pursuant to Chapter 3717. of the Revised Code that operates as a 23566  
restaurant for purposes of this chapter, shall have operated the 23567  
restaurant at the proposed premises for not less than twenty- 23568  
four consecutive months immediately preceding the filing of the 23569  
application for the permit, have applied for a D-5 permit no 23570  
later than December 31, 1988, and appear on the division's quota 23571  
waiting list for not less than six months immediately preceding 23572  
the filing of the application for the permit. In addition to 23573  
these requirements, the proposed D-5c permit premises shall be 23574  
located within a municipal corporation and further within an 23575

election precinct that, at the time of the application, has no 23576  
more than twenty-five per cent of its total land area zoned for 23577  
residential use. 23578

A D-5c permit shall not be transferred to another 23579  
location. No quota restriction shall be placed on the number of 23580  
such permits that may be issued. 23581

Any person who has held a D-5c permit for at least two 23582  
years may apply for a D-5 permit, and the division of liquor 23583  
control shall issue the D-5 permit notwithstanding the quota 23584  
restrictions contained in section 4303.29 of the Revised Code or 23585  
in any rule of the liquor control commission. 23586

The fee for this permit is one thousand five hundred 23587  
sixty-three dollars. 23588

(D) (1) Permit D-5d may be issued to the owner or operator 23589  
of a retail food establishment or a food service operation 23590  
licensed pursuant to Chapter 3717. of the Revised Code that 23591  
operates as a restaurant for purposes of this chapter and that 23592  
is located at an airport operated by a municipal corporation, at 23593  
an airport operated by a board of county commissioners pursuant 23594  
to section 307.20 of the Revised Code, at an airport operated by 23595  
a port authority pursuant to Chapter 4582. of the Revised Code, 23596  
or at an airport operated by a regional airport authority 23597  
pursuant to Chapter 308. of the Revised Code. 23598

(2) The holder of a D-5d permit may sell either of the 23599  
following: 23600

(a) Beer and any intoxicating liquor at retail, only by 23601  
the individual drink in glass and from the container, for 23602  
consumption on the premises where sold. In addition, such 23603  
consumption may occur in the area of the airport terminal that 23604

is restricted to persons taking flights to and from the airport, 23605  
provided all of the following apply: 23606

(i) The airport's governing body authorizes the 23607  
consumption of beer and intoxicating liquor in that area. 23608

(ii) The D-5d permit holder is located in that area. 23609

(iii) The airport is a public-use airport, as defined in 23610  
section 4563.30 of the Revised Code, that has commercial flight 23611  
activity and has one or more passenger or property screening 23612  
checkpoints or restricted areas used as security measures. 23613

(iv) The beer or intoxicating liquor is served solely in 23614  
plastic bottles or other plastic containers that clearly 23615  
identify the D-5d permit holder. 23616

(b) The same products in the same manner and amounts not 23617  
for consumption on the premises where sold as may be sold by the 23618  
holders of D-1 and D-2 permits. 23619

In addition to the privileges authorized in division (D) 23620  
of this section, the holder of a D-5d permit may exercise the 23621  
same privileges, and shall observe the same hours of operation, 23622  
as the holder of a D-5 permit. 23623

(3) A D-5d permit shall not be transferred to another 23624  
location. No quota restrictions shall be placed on the number of 23625  
such permits that may be issued. 23626

(4) The fee for the D-5d permit is two thousand three 23627  
hundred forty-four dollars. 23628

(E) Permit D-5e may be issued to any nonprofit 23629  
organization that is exempt from federal income taxation under 23630  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23631  
501(c)(3), as amended, or that is a charitable organization 23632

under any chapter of the Revised Code, and that owns or operates 23633  
a riverboat that meets all of the following: 23634

(1) Is permanently docked at one location; 23635

(2) Is designated as an historical riverboat by the Ohio 23636  
history connection; 23637

(3) Contains not less than fifteen hundred square feet of 23638  
floor area; 23639

(4) Has a seating capacity of fifty or more persons. 23640

The holder of a D-5e permit may sell beer and intoxicating 23641  
liquor at retail, only by the individual drink in glass and from 23642  
the container, for consumption on the premises where sold. 23643

A D-5e permit shall not be transferred to another 23644  
location. No quota restriction shall be placed on the number of 23645  
such permits that may be issued. The population quota 23646  
restrictions contained in section 4303.29 of the Revised Code or 23647  
in any rule of the liquor control commission shall not apply to 23648  
this division, and the division shall issue a D-5e permit to any 23649  
applicant who meets the requirements of this division. However, 23650  
the division shall not issue a D-5e permit if the permit 23651  
premises or proposed permit premises are located within an area 23652  
in which the sale of spirituous liquor by the glass is 23653  
prohibited. 23654

In addition to the privileges authorized in this division, 23655  
the holder of a D-5e permit may exercise the same privileges, 23656  
and shall observe the same hours of operation, as the holder of 23657  
a D-5 permit. 23658

The fee for this permit is one thousand two hundred 23659  
nineteen dollars. 23660



(F) Permit D-5f may be issued to the owner or operator of 23661  
a retail food establishment or a food service operation licensed 23662  
under Chapter 3717. of the Revised Code that operates as a 23663  
restaurant for purposes of this chapter and that meets all of 23664  
the following: 23665

(1) It contains not less than twenty-five hundred square 23666  
feet of floor area. 23667

(2) It is located on or in, or immediately adjacent to, 23668  
the shoreline of, a navigable river. 23669

(3) It provides docking space for twenty-five boats. 23670

(4) It provides entertainment and recreation, provided 23671  
that not less than fifty per cent of the business on the permit 23672  
premises shall be preparing and serving meals for a 23673  
consideration. 23674

In addition, each application for a D-5f permit shall be 23675  
accompanied by a certification from the local legislative 23676  
authority that the issuance of the D-5f permit is not 23677  
inconsistent with that political subdivision's comprehensive 23678  
development plan or other economic development goal as 23679  
officially established by the local legislative authority. 23680

The holder of a D-5f permit may sell beer and intoxicating 23681  
liquor at retail, only by the individual drink in glass and from 23682  
the container, for consumption on the premises where sold. 23683

A D-5f permit shall not be transferred to another 23684  
location. 23685

The division of liquor control shall not issue a D-5f 23686  
permit if the permit premises or proposed permit premises are 23687  
located within an area in which the sale of spirituous liquor by 23688

the glass is prohibited. In addition to the privileges 23689  
authorized in this division, the holder of a D-5f permit may 23690  
exercise the same privileges, and shall observe the same hours 23691  
of operation, as the holder of a D-5 permit. 23692

A fee for this permit is two thousand three hundred forty- 23693  
four dollars. 23694

As used in this division, "navigable river" means a river 23695  
that is also a "navigable water" as defined in the "Federal 23696  
Power Act," 94 Stat. 770 (1980), 16 U.S.C. 796. 23697

(G) Permit D-5g may be issued to a nonprofit corporation 23698  
that is either the owner or the operator of a national 23699  
professional sports museum. The holder of a D-5g permit may sell 23700  
beer and any intoxicating liquor at retail, only by the 23701  
individual drink in glass and from the container, for 23702  
consumption on the premises where sold. The holder of a D-5g 23703  
permit shall sell no beer or intoxicating liquor for consumption 23704  
on the premises where sold after two-thirty a.m. A D-5g permit 23705  
shall not be transferred to another location. No quota 23706  
restrictions shall be placed on the number of D-5g permits that 23707  
may be issued. In addition to the privileges authorized in this 23708  
division, the holder of a D-5g permit may exercise the same 23709  
privileges, and shall observe the same hours of operation, as 23710  
the holder of a D-5 permit. 23711

The fee for this permit is one thousand eight hundred 23712  
seventy-five dollars. 23713

(H) (1) Permit D-5h may be issued to any nonprofit 23714  
organization that is exempt from federal income taxation under 23715  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23716  
501(c) (3), as amended, that owns or operates any of the 23717

following: 23718

(a) A fine arts museum, provided that the nonprofit 23719  
organization has no less than one thousand five hundred bona 23720  
fide members possessing full membership privileges; 23721

(b) A community arts center. As used in division (H) (1) (b) 23722  
of this section, "community arts center" means a facility that 23723  
provides arts programming to the community in more than one arts 23724  
discipline, including, but not limited to, exhibits of works of 23725  
art and performances by both professional and amateur artists. 23726

(c) A community theater, provided that the nonprofit 23727  
organization is a member of the Ohio arts council and the 23728  
American community theatre association and has been in existence 23729  
for not less than ten years. As used in division (H) (1) (c) of 23730  
this section, "community theater" means a facility that contains 23731  
at least one hundred fifty seats and has a primary function of 23732  
presenting live theatrical performances and providing 23733  
recreational opportunities to the community. 23734

(2) The holder of a D-5h permit may sell beer and any 23735  
intoxicating liquor at retail, only by the individual drink in 23736  
glass and from the container, for consumption on the premises 23737  
where sold. A D-5h permit shall not be transferred to another 23738  
location. No quota restrictions shall be placed on the number of 23739  
D-5h permits that may be issued. 23740

(3) In addition to the privileges authorized in this 23741  
division, the holder of a D-5h permit may exercise the same 23742  
privileges, and shall observe the same hours of operation, as 23743  
the holder of a D-5 permit. 23744

(4) The fee for a D-5h permit is one thousand eight 23745  
hundred seventy-five dollars. 23746

(I) Permit D-5i may be issued to the owner or operator of 23747  
a retail food establishment or a food service operation licensed 23748  
under Chapter 3717. of the Revised Code that operates as a 23749  
restaurant for purposes of this chapter and that meets all of 23750  
the following requirements: 23751

(1) It is located in a municipal corporation or a township 23752  
with a population of one hundred thousand or less. 23753

(2) It has inside seating capacity for at least one 23754  
hundred forty persons. 23755

(3) It has at least four thousand square feet of floor 23756  
area. 23757

(4) It offers full-course meals, appetizers, and 23758  
sandwiches. 23759

(5) Its receipts from beer and liquor sales, excluding 23760  
wine sales, do not exceed twenty-five per cent of its total 23761  
gross receipts. 23762

(6) It has at least one of the following characteristics: 23763

(a) The value of its real and personal property exceeds 23764  
seven hundred twenty-five thousand dollars. 23765

(b) It is located on property that is owned or leased by 23766  
the state or a state agency, and its owner or operator has 23767  
authorization from the state or the state agency that owns or 23768  
leases the property to obtain a D-5i permit. 23769

The holder of a D-5i permit may sell beer and any 23770  
intoxicating liquor at retail, only by the individual drink in 23771  
glass and from the container, for consumption on the premises 23772  
where sold, and may sell the same products in the same manner 23773  
and amounts not for consumption on the premises where sold as 23774

may be sold by the holders of D-1 and D-2 permits. In addition 23775  
to the privileges authorized in this division, the holder of a 23776  
D-5i permit may exercise the same privileges, and shall observe 23777  
the same hours of operation, as the holder of a D-5 permit. 23778

A D-5i permit shall not be transferred to another 23779  
location. The division of liquor control shall not renew a D-5i 23780  
permit unless the retail food establishment or food service 23781  
operation for which it is issued continues to meet the 23782  
requirements described in divisions (I) (1) to (6) of this 23783  
section. No quota restrictions shall be placed on the number of 23784  
D-5i permits that may be issued. The fee for the D-5i permit is 23785  
two thousand three hundred forty-four dollars. 23786

(J) Permit D-5j may be issued to the owner or the operator 23787  
of a retail food establishment or a food service operation 23788  
licensed under Chapter 3717. of the Revised Code to sell beer 23789  
and intoxicating liquor at retail, only by the individual drink 23790  
in glass and from the container, for consumption on the premises 23791  
where sold and to sell beer and intoxicating liquor in the same 23792  
manner and amounts not for consumption on the premises where 23793  
sold as may be sold by the holders of D-1 and D-2 permits. The 23794  
holder of a D-5j permit may exercise the same privileges, and 23795  
shall observe the same hours of operation, as the holder of a D- 23796  
5 permit. 23797

The D-5j permit shall be issued only within a community 23798  
entertainment district that is designated under section 4301.80 23799  
of the Revised Code. The permit shall not be issued to a 23800  
community entertainment district that is designated under 23801  
divisions (B) and (C) of section 4301.80 of the Revised Code if 23802  
the district does not meet one of the following qualifications: 23803

(1) It is located in a municipal corporation with a 23804

population of at least one hundred thousand. 23805

(2) It is located in a municipal corporation with a 23806  
population of at least twenty thousand, and either of the 23807  
following applies: 23808

(a) It contains an amusement park the rides of which have 23809  
been issued a permit by the department of agriculture under 23810  
Chapter 1711. of the Revised Code. 23811

(b) Not less than fifty million dollars will be invested 23812  
in development and construction in the community entertainment 23813  
district's area located in the municipal corporation. 23814

(3) It is located in a township with a population of at 23815  
least forty thousand. 23816

(4) It is located in a township with a population of at 23817  
least twenty thousand, and not less than seventy million dollars 23818  
will be invested in development and construction in the 23819  
community entertainment district's area located in the township. 23820

(5) It is located in a municipal corporation with a 23821  
population between seven thousand and twenty thousand, and both 23822  
of the following apply: 23823

(a) The municipal corporation was incorporated as a 23824  
village prior to calendar year 1880 and currently has a historic 23825  
downtown business district. 23826

(b) The municipal corporation is located in the same 23827  
county as another municipal corporation with at least one 23828  
community entertainment district. 23829

(6) It is located in a municipal corporation with a 23830  
population of at least ten thousand, and not less than seventy 23831  
million dollars will be invested in development and construction 23832

in the community entertainment district's area located in the 23833  
municipal corporation. 23834

(7) It is located in a municipal corporation with a 23835  
population of at least three thousand, and not less than one 23836  
hundred fifty million dollars will be invested in development 23837  
and construction in the community entertainment district's area 23838  
located in the municipal corporation. 23839

The location of a D-5j permit may be transferred only 23840  
within the geographic boundaries of the community entertainment 23841  
district in which it was issued and shall not be transferred 23842  
outside the geographic boundaries of that district. 23843

Not more than one D-5j permit shall be issued within each 23844  
community entertainment district for each five acres of land 23845  
located within the district. Not more than fifteen D-5j permits 23846  
may be issued within a single community entertainment district. 23847  
Except as otherwise provided in division (J)(4) of this section, 23848  
no quota restrictions shall be placed upon the number of D-5j 23849  
permits that may be issued. 23850

The fee for a D-5j permit is two thousand three hundred 23851  
forty-four dollars. 23852

(K)(1) Permit D-5k may be issued to any nonprofit 23853  
organization that is exempt from federal income taxation under 23854  
the "Internal Revenue Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 23855  
501(c)(3), as amended, that is the owner or operator of a 23856  
botanical garden recognized by the American association of 23857  
botanical gardens and arboreta, and that has not less than 23858  
twenty-five hundred bona fide members. 23859

(2) The holder of a D-5k permit may sell beer and any 23860  
intoxicating liquor at retail, only by the individual drink in 23861

glass and from the container, on the premises where sold. 23862

(3) In addition to the privileges authorized in this 23863  
division, the holder of a D-5k permit may exercise the same 23864  
privileges, and shall observe the same hours of operation, as 23865  
the holder of a D-5 permit. 23866

(4) A D-5k permit shall not be transferred to another 23867  
location. 23868

(5) No quota restrictions shall be placed on the number of 23869  
D-5k permits that may be issued. 23870

(6) The fee for the D-5k permit is one thousand eight 23871  
hundred seventy-five dollars. 23872

(L) (1) Permit D-5l may be issued to the owner or the 23873  
operator of a retail food establishment or a food service 23874  
operation licensed under Chapter 3717. of the Revised Code to 23875  
sell beer and intoxicating liquor at retail, only by the 23876  
individual drink in glass and from the container, for 23877  
consumption on the premises where sold and to sell beer and 23878  
intoxicating liquor in the same manner and amounts not for 23879  
consumption on the premises where sold as may be sold by the 23880  
holders of D-1 and D-2 permits. The holder of a D-5l permit may 23881  
exercise the same privileges, and shall observe the same hours 23882  
of operation, as the holder of a D-5 permit. 23883

(2) The D-5l permit shall be issued only to a premises to 23884  
which all of the following apply: 23885

(a) The premises has gross annual receipts from the sale 23886  
of food and meals that constitute not less than seventy-five per 23887  
cent of its total gross annual receipts. 23888

(b) The premises is located within a revitalization 23889



district that is designated under section 4301.81 of the Revised Code. 23890  
23891

(c) The premises is located in a municipal corporation or 23892  
township in which the number of D-5 permits issued equals or 23893  
exceeds the number of those permits that may be issued in that 23894  
municipal corporation or township under section 4303.29 of the 23895  
Revised Code. 23896

(d) The premises meets any of the following 23897  
qualifications: 23898

(i) It is located in a county with a population of one 23899  
hundred twenty-five thousand or less according to the population 23900  
estimates certified by the department of housing and development 23901  
~~services agency~~ for calendar year 2006. 23902

(ii) It is located in the municipal corporation that has 23903  
the largest population in a county when the county has a 23904  
population between two hundred fifteen thousand and two hundred 23905  
twenty-five thousand according to the population estimates 23906  
certified by the department of housing and development ~~services~~ 23907  
~~agency~~ for calendar year 2006. Division (L) (2) (d) (ii) of this 23908  
section applies only to a municipal corporation that is wholly 23909  
located in a county. 23910

(iii) It is located in the municipal corporation that has 23911  
the largest population in a county when the county has a 23912  
population between one hundred forty thousand and one hundred 23913  
forty-one thousand according to the population estimates 23914  
certified by the department of housing and development ~~services~~ 23915  
~~agency~~ for calendar year 2006. Division (L) (2) (d) (iii) of this 23916  
section applies only to a municipal corporation that is wholly 23917  
located in a county. 23918

(iv) It is located in a township with a population density 23919  
of less than four hundred fifty people per square mile. For 23920  
purposes of division (L) (2) (d) (iv) of this section, the 23921  
population of a township is considered to be the population 23922  
shown by the most recent regular federal decennial census. 23923

(v) It is located in a municipal corporation that is 23924  
wholly located within the geographic boundaries of a township, 23925  
provided that the municipal corporation and the unincorporated 23926  
portion of the township have a combined population density of 23927  
less than four hundred fifty people per square mile. For 23928  
purposes of division (L) (2) (d) (v) of this section, the 23929  
population of a municipal corporation and unincorporated portion 23930  
of a township is the population shown by the most recent federal 23931  
decennial census. 23932

(vi) It is located in a county with a population of not 23933  
less than one hundred seventy-two thousand and not more than one 23934  
hundred ninety-five thousand. For purposes of division (L) (2) (d) 23935  
(vi) of this section, the population of a county is the 23936  
population shown by the most recent decennial census. 23937

(vii) It is located in a municipal corporation with a 23938  
population of less than ten thousand and the municipal 23939  
corporation is located in a county with a population of more 23940  
than one million. For purposes of division (L) (2) (d) (vii) of 23941  
this section, the population of a municipal corporation and a 23942  
county is the population shown by the most recent decennial 23943  
census. 23944

(3) The location of a D-51 permit may be transferred only 23945  
within the geographic boundaries of the revitalization district 23946  
in which it was issued and shall not be transferred outside the 23947  
geographic boundaries of that district. 23948

(4) Not more than one D-5l permit shall be issued within 23949  
each revitalization district for each five acres of land located 23950  
within the district. Not more than fifteen D-5l permits may be 23951  
issued within a single revitalization district. Except as 23952  
otherwise provided in division (L) (4) of this section, no quota 23953  
restrictions shall be placed upon the number of D-5l permits 23954  
that may be issued. 23955

(5) No D-5l permit shall be issued to an adult 23956  
entertainment establishment as defined in section 2907.39 of the 23957  
Revised Code. 23958

(6) The fee for a D-5l permit is two thousand three 23959  
hundred forty-four dollars. 23960

(M) Permit D-5m may be issued to either the owner or the 23961  
operator of a retail food establishment or food service 23962  
operation licensed under Chapter 3717. of the Revised Code that 23963  
operates as a restaurant for purposes of this chapter and that 23964  
is located in, or affiliated with, a center for the preservation 23965  
of wild animals as defined in section 4301.404 of the Revised 23966  
Code, to sell beer and any intoxicating liquor at retail, only 23967  
by the glass and from the container, for consumption on the 23968  
premises where sold, and to sell the same products in the same 23969  
manner and amounts not for consumption on the premises as may be 23970  
sold by the holders of D-1 and D-2 permits. In addition to the 23971  
privileges authorized by this division, the holder of a D-5m 23972  
permit may exercise the same privileges, and shall observe the 23973  
same hours of operation, as the holder of a D-5 permit. 23974

A D-5m permit shall not be transferred to another 23975  
location. No quota restrictions shall be placed on the number of 23976  
D-5m permits that may be issued. The fee for a permit D-5m is 23977  
two thousand three hundred forty-four dollars. 23978

(N) Permit D-5n shall be issued to either a casino  
operator or a casino management company licensed under Chapter  
3772. of the Revised Code that operates a casino facility under  
that chapter, to sell beer and any intoxicating liquor at  
retail, only by the individual drink in glass and from the  
container, for consumption on the premises where sold, and to  
sell the same products in the same manner and amounts not for  
consumption on the premises as may be sold by the holders of D-1  
and D-2 permits. In addition to the privileges authorized by  
this division, the holder of a D-5n permit may exercise the same  
privileges, and shall observe the same hours for beer and  
intoxicating liquor sales, as the holder of a D-5 permit. A D-5n  
permit shall not be transferred to another location. Only one D-  
5n permit may be issued per casino facility and not more than  
four D-5n permits shall be issued in this state. The fee for a  
permit D-5n shall be twenty thousand dollars. The holder of a D-  
5n permit may conduct casino gaming on the permit premises  
notwithstanding any provision of the Revised Code or  
Administrative Code.

(O) Permit D-5o may be issued to the owner or operator of  
a retail food establishment or a food service operation licensed  
under Chapter 3717. of the Revised Code that operates as a  
restaurant for purposes of this chapter and that is located  
within a casino facility for which a D-5n permit has been  
issued. The holder of a D-5o permit may sell beer and any  
intoxicating liquor at retail, only by the individual drink in  
glass and from the container, for consumption on the premises  
where sold, and may sell the same products in the same manner  
and amounts not for consumption on the premises where sold as  
may be sold by the holders of D-1 and D-2 permits. In addition  
to the privileges authorized by this division, the holder of a

D-5o permit may exercise the same privileges, and shall observe 24010  
the same hours for beer and intoxicating liquor sales, as the 24011  
holder of a D-5 permit. A D-5o permit shall not be transferred 24012  
to another location. No quota restrictions shall be placed on 24013  
the number of such permits that may be issued. The fee for this 24014  
permit is two thousand three hundred forty-four dollars. 24015

**Sec. 4303.262.** The department of housing and development 24016  
shall designate resort areas, certify the geographical limits of 24017  
such areas, and certify the tourist population of and the custom 24018  
and habits of the tourists in such areas. The liquor control 24019  
commission shall give notice as herein provided of public 24020  
hearings to be held for the purpose of determining whether class 24021  
D-7 permits shall be issued within such areas. 24022

When the resort area certified by the department is 24023  
located in whole or in part within the corporate limits of a 24024  
municipal corporation, the liquor control commission shall 24025  
notify the clerk of the legislative authority of such municipal 24026  
corporation, by certified mail, of the date of the public 24027  
hearing to determine whether such area shall be designated a 24028  
resort area for purposes of issuing D-7 permits. 24029

When the area certified by the department is located in 24030  
whole or in part outside the corporate limits of a municipal 24031  
corporation, the liquor control commission shall notify, by 24032  
certified mail, the clerk of the board of county commissioners 24033  
of the county in which such resort area is located. Such notice 24034  
shall state the date of the public hearing to determine whether 24035  
such area shall be designated a resort area for purposes of 24036  
issuing D-7 permits. 24037

In addition to the notice to the clerk of the legislative 24038  
authority or the clerk of the county commissioners, or both, the 24039

liquor control commission shall cause public notice of the date 24040  
of hearing for the purpose of designating such area as a resort 24041  
area for the purpose of issuing D-7 permits to be published in a 24042  
newspaper of general circulation within the area to be so 24043  
designated. The hearing shall be held in a place designated by 24044  
the liquor control commission. 24045

At the public hearing the department shall testify 24046  
concerning its findings and conclusions as to the designation of 24047  
such area as a resort area. The legislative authority and the 24048  
board of county commissioners shall be given the right to offer 24049  
testimony either in support of or opposition to the designation 24050  
of such area as a resort area. In addition, the liquor control 24051  
commission shall give members of the general public the 24052  
opportunity to give testimony either in support of or in 24053  
opposition to such designation. Any member of the general public 24054  
desiring to give testimony at such hearing shall give notice of 24055  
such fact to the liquor control commission within five days of 24056  
such hearing. The liquor control commission may limit the number 24057  
of private citizens given the opportunity to testify at such 24058  
public hearing and limit the length of their presentation. Any 24059  
such limitation shall include an equal number of speakers in 24060  
opposition to and in favor of such designation. 24061

Within thirty days of such public hearing the liquor 24062  
control commission shall approve or deny by order the 24063  
designation as a resort area and may before approval modify the 24064  
geographical limits certified to it. In its order the liquor 24065  
control commission shall consider the testimony presented to it 24066  
at such hearing and shall take into consideration the transient 24067  
population during the resort season, the custom and habits of 24068  
visitors and tourists to the area, and the promotion of the 24069  
resort and tourist industry within the area. The commission 24070

shall revoke or modify the designation as a "resort area" when 24071  
the area no longer qualifies. No revocation or modification of 24072  
the designation shall be made unless the notice and hearing 24073  
procedures provided in this section for the original designation 24074  
of the area are followed. 24075

**Sec. 4503.591.** (A) If a professional sports team located 24076  
in this state desires to have its logo appear on license plates 24077  
issued by this state, it shall enter into a contract with either 24078  
a sports commission to permit such display, as permitted by 24079  
division (E) of this section, or with a community charity, as 24080  
permitted by division (G) of this section. 24081

(B) The owner or lessee of any passenger car, 24082  
noncommercial motor vehicle, recreational vehicle, or other 24083  
vehicle of a class approved by the registrar of motor vehicles 24084  
may apply to the registrar for the registration of the vehicle 24085  
and issuance of license plates bearing the logo of a 24086  
professional sports team that has entered into a contract 24087  
described in division (A) of this section. The application shall 24088  
designate the sports team whose logo the owner or lessee desires 24089  
to appear on the license plates. Failure to designate a 24090  
participating professional sports team shall result in rejection 24091  
by the registrar of the registration application. An application 24092  
made under this section may be combined with a request for a 24093  
special reserved license plate under section 4503.40 or 4503.42 24094  
of the Revised Code. Upon receipt of the completed application 24095  
and compliance by the applicant with divisions (C) and (D) of 24096  
this section, the registrar shall issue to the applicant the 24097  
appropriate vehicle registration and a set of license plates 24098  
bearing the logo of the professional sports team the owner 24099  
designated in the application and a validation sticker, or a 24100  
validation sticker alone when required by section 4503.191 of 24101

the Revised Code. 24102

In addition to the letters and numbers ordinarily 24103  
inscribed thereon, professional sports team license plates shall 24104  
bear the logo of a participating professional sports team, and 24105  
shall display county identification stickers that identify the 24106  
county of registration as required under section 4503.19 of the 24107  
Revised Code. 24108

(C) The professional sports team license plates and 24109  
validation sticker, or validation sticker alone, as the case may 24110  
be, shall be issued upon payment of the regular license tax as 24111  
prescribed under section 4503.04 of the Revised Code, any 24112  
applicable motor vehicle license tax levied under Chapter 4504. 24113  
of the Revised Code, an additional fee of ten dollars, and 24114  
compliance with all other applicable laws relating to the 24115  
registration of motor vehicles. If the application for a 24116  
professional sports team license plate is combined with a 24117  
request for a special reserved license plate under section 24118  
4503.40 or 4503.42 of the Revised Code, the license plates and 24119  
validation sticker, or validation sticker alone, shall be issued 24120  
upon payment of the taxes and fees described in this division 24121  
plus the additional fee prescribed under section 4503.40 or 24122  
4503.42 of the Revised Code and compliance with all other 24123  
applicable laws relating to the registration of motor vehicles. 24124

(D) For each application for registration and registration 24125  
renewal notice the registrar receives under this section, the 24126  
registrar shall collect a contribution of twenty-five dollars. 24127  
The registrar shall transmit this contribution to the treasurer 24128  
of state for deposit into the license plate contribution fund 24129  
created by section 4501.21 of the Revised Code. 24130

The registrar shall transmit the additional fee of ten 24131



dollars, which is to compensate the bureau of motor vehicles for 24132  
the additional services required in the issuing of professional 24133  
sports team license plates, to the treasurer of state for 24134  
deposit into the state treasury to the credit of the public 24135  
safety - highway purposes fund created by section 4501.06 of the 24136  
Revised Code. 24137

(E) If a professional sports team located in this state 24138  
desires to have its logo appear on license plates issued by this 24139  
state and it desires to do so pursuant to this division, it 24140  
shall inform the largest convention and visitors' bureau of the 24141  
county in which the professional sports team is located of that 24142  
desire. That convention and visitors' bureau shall create a 24143  
sports commission to operate in that county to receive the 24144  
contributions that are paid by applicants who choose to be 24145  
issued license plates bearing the logo of that professional 24146  
sports team for display on their motor vehicles. The sports 24147  
commission shall negotiate with the professional sports team to 24148  
permit the display of the team's logo on license plates issued 24149  
by this state, enter into the contract with the team to permit 24150  
such display, and pay to the team any licensing or rights fee 24151  
that must be paid in connection with the issuance of the license 24152  
plates. Upon execution of the contract, the sports commission 24153  
shall provide a copy of it to the registrar, along with any 24154  
other documentation the registrar may require. Upon receipt of 24155  
the contract and any required additional documentation, and when 24156  
the numerical requirement contained in section 4503.78 of the 24157  
Revised Code has been met relative to that particular 24158  
professional sports team, the registrar shall take the measures 24159  
necessary to issue license plates bearing the logo of that team. 24160

(F) A sports commission shall expend the money it receives 24161  
pursuant to section 4501.21 of the Revised Code to attract 24162

amateur regional, national, and international sporting events to 24163  
the municipal corporation, county, or township in which it is 24164  
located, and it may sponsor such events. Prior to attracting or 24165  
sponsoring such events, the sports commission shall perform an 24166  
economic analysis to determine whether the proposed event will 24167  
have a positive economic effect on the greater area in which the 24168  
event will be held. A sports commission shall not expend any 24169  
money it receives under that section to attract or sponsor an 24170  
amateur regional, national, or international sporting event if 24171  
its economic analysis does not result in a finding that the 24172  
proposed event will have a positive economic effect on the 24173  
greater area in which the event will be held. 24174

A sports commission that receives money pursuant to that 24175  
section, in addition to any other duties imposed on it by law 24176  
and notwithstanding the scope of those duties, also shall 24177  
encourage the economic development of this state through the 24178  
promotion of tourism within all areas of this state. A sports 24179  
commission that receives ten thousand dollars or more during any 24180  
calendar year shall submit a written report to the director of 24181  
housing and development, on or before the first day of October 24182  
of the next succeeding year, detailing its efforts and 24183  
expenditures in the promotion of tourism during the calendar 24184  
year in which it received the ten thousand dollars or more. 24185

As used in this division, "promotion of tourism" means the 24186  
encouragement through advertising, educational and informational 24187  
means, and public relations, both within the state and outside 24188  
of it, of travel by persons away from their homes for pleasure, 24189  
personal reasons, or other purposes, except to work, to this 24190  
state or to the region in which the sports commission is 24191  
located. 24192

(G) If a professional sports team located in this state 24193  
desires to have its logo appear on license plates issued by this 24194  
state and it does not desire to do so pursuant to division (E) 24195  
of this section, it shall do so pursuant to this division. The 24196  
professional sports team shall notify a community charity of 24197  
that desire. That community charity may negotiate with the 24198  
professional sports team to permit the display of the team's 24199  
logo on license plates issued by this state, enter into a 24200  
contract with the team to permit such display, and pay to the 24201  
team any licensing or rights fee that must be paid in connection 24202  
with the issuance of the license plates. Upon execution of a 24203  
contract, the community charity shall provide a copy of it to 24204  
the registrar along with any other documentation the registrar 24205  
may require. Upon receipt of the contract and any required 24206  
additional documentation, and when the numerical requirement 24207  
contained in section 4503.78 of the Revised Code has been met 24208  
relative to that particular professional sports team, the 24209  
registrar shall take the measures necessary to issue license 24210  
plates bearing the logo of that team. 24211

(H) (1) A community charity shall expend the money it 24212  
receives pursuant to section 4501.21 of the Revised Code solely 24213  
to provide financial support to a sports commission for the 24214  
purposes described in division (F) of this section and to 24215  
nonprofit organizations located in this state that seek to 24216  
improve the lives of those who are less fortunate and who reside 24217  
in the region and state in which is located the sports team with 24218  
which the community charity entered into a contract pursuant to 24219  
division (G) of this section. Such organizations shall achieve 24220  
this purpose through activities such as youth sports programs; 24221  
educational, health, social, and community service programs; or 24222  
services such as emergency assistance or employment, education, 24223

housing, and nutrition services. 24224

The community charity shall not expend any money it 24225  
receives pursuant to section 4501.21 of the Revised Code if the 24226  
expenditure will be received by a nonprofit organization that 24227  
will use the money in a manner or for a purpose that is not 24228  
described in this division. 24229

(2) The community charity shall provide a written 24230  
quarterly report to the director of housing and development and 24231  
the director of job and family services detailing the 24232  
expenditures of the money it receives pursuant to section 24233  
4501.21 of the Revised Code. The report shall include the amount 24234  
of such money received and an accounting of all expenditures of 24235  
such money. 24236

(I) For purposes of this section: 24237

(1) The "largest" convention and visitors' bureau of a 24238  
county is the bureau that receives the largest amount of money 24239  
generated in that county from excise taxes levied on lodging 24240  
transactions under sections 351.021, 5739.08, and 5739.09 of the 24241  
Revised Code. 24242

(2) "Sports commission" means a commission consisting of 24243  
at least fifteen members that is a nonprofit corporation 24244  
organized under the laws of this state that is entitled to tax 24245  
exempt status under section 501(c)(3) of the "Internal Revenue 24246  
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 501, as amended, and 24247  
whose function is to attract, promote, or sponsor sports and 24248  
athletic events within a municipal corporation, county, or 24249  
township. 24250

A sports commission may provide all services related to 24251  
attracting, promoting, or sponsoring such events, including, but 24252

not limited to, the booking of athletes and teams, scheduling, 24253  
and hiring or contracting for staff, ushers, managers, and other 24254  
persons whose functions are directly related to the sports and 24255  
athletic events the commission attracts, promotes, or sponsors. 24256

(3) "Community charity" means a nonprofit corporation 24257  
organized under the laws of this state that is entitled to tax 24258  
exempt status under section 501(c)(3) of the "Internal Revenue 24259  
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24260  
that enters into a contract with a professional sports team 24261  
pursuant to division (G) of this section. 24262

(4) "Nonprofit organization" means a nonprofit corporation 24263  
organized under the laws of this state that is entitled to tax 24264  
exempt status under section 501(c)(3) of the "Internal Revenue 24265  
Code of 1986," 100 Stat. 2085, 26 U.S.C. 501, as amended, and 24266  
that receives money from a community charity pursuant to 24267  
division (H)(1) of this section. 24268

**Sec. 4582.58.** (A) All final actions of the port authority 24269  
shall be journalized and the journal and the records of the port 24270  
authority shall be open to public inspection at all reasonable 24271  
times. Not later than the first day of April every year, every 24272  
port authority shall submit a report to the director of housing 24273  
and development detailing the projects and activities of the 24274  
port authority during the previous calendar year. The report 24275  
shall include, but not be limited to, all aspects of those 24276  
projects and activities, including the progress and status of 24277  
the projects and their costs, and any other information the 24278  
director determines should be included in the report. 24279

(B) Financial and proprietary information, including trade 24280  
secrets, submitted by or on behalf of an employer to a port 24281  
authority or to a nonprofit corporation engaged by contract to 24282

provide economic development services for a port authority, in 24283  
connection with the relocation, location, expansion, 24284  
improvement, or preservation of the business of that employer is 24285  
not a public record subject to section 149.43 of the Revised 24286  
Code. Any other information submitted by such an employer under 24287  
those circumstances is not a public record subject to section 24288  
149.43 of the Revised Code until that employer commits in 24289  
writing to proceed with the relocation, location, expansion, 24290  
improvement, or preservation. 24291

(C) Notwithstanding section 121.22 of the Revised Code, 24292  
the board of directors of a port authority and the board of 24293  
trustees of a nonprofit corporation described in division (B) of 24294  
this section, and any committee or subcommittee of either, when 24295  
considering information that is not a public record under this 24296  
section, may close any meeting during the consideration of that 24297  
information pursuant to a vote of the majority of the members 24298  
present on a motion stating that such information is to be 24299  
considered. No other matters shall be considered during the 24300  
closed session. 24301

**Sec. 4901.021.** (A) There is hereby created a public 24302  
utilities commission nominating council consisting of the 24303  
following: 24304

(1) The chairperson of the consumers' counsel governing 24305  
board; 24306

(2) The president of the accountancy board; 24307

(3) The chairperson of the state board of registration for 24308  
professional engineers and surveyors; 24309

(4) The president of the Ohio state bar association; 24310

(5) The president of the Ohio municipal league; 24311

- (6) The director of housing and development or the 24312  
director's department-employed designee; 24313
- (7) A member of the public appointed by the speaker of the 24314  
house of representatives, to serve at the pleasure of the 24315  
speaker; 24316
- (8) A member of the public appointed by the president of 24317  
the senate, to serve at the pleasure of the president; 24318
- (9) A representative of the regulated public utilities of 24319  
the state appointed by the governor, to serve at the pleasure of 24320  
the governor; 24321
- (10) A representative of the business community appointed 24322  
by the governor, to serve at the pleasure of the governor; 24323
- (11) A representative of organized labor appointed by the 24324  
governor, to serve at the pleasure of the governor; 24325
- (12) A senior citizen sixty-five years of age or older 24326  
appointed by the director of aging, to serve at the pleasure of 24327  
the director. 24328
- (B) At its first meeting each calendar year, the council 24329  
shall select from among its members a chairperson and secretary. 24330  
The council may adopt bylaws governing its proceedings. 24331
- (C) The council shall keep a record of its proceedings. 24332  
Special meetings may be called by the chairperson, and shall be 24333  
called by the chairperson upon receipt of a written request for 24334  
a meeting signed by two or more members of the council. Written 24335  
notice of the time and place of each meeting shall be sent to 24336  
each member of the council. With the approval of the 24337  
association's or league's governing body, the president of the 24338  
Ohio state bar association or the president of the Ohio 24339

municipal league, respectively, may designate an alternate to 24340  
represent the president at meetings of the council. With the 24341  
approval of the board, the president of the accountancy board or 24342  
the chairperson of the state board of registration for 24343  
professional engineers and surveyors may designate such an 24344  
alternate. Six members, or their alternates, constitute a 24345  
quorum. 24346

(D) The council shall: 24347

(1) Review and evaluate possible appointees for the office 24348  
of commissioner of the public utilities commission; 24349

(2) Consistent with division (D) of section 4901.02 of the 24350  
Revised Code, not more than eighty-five nor less than sixty days 24351  
prior to the expiration of the term of a public utilities 24352  
commissioner or not more than thirty days after the death of, 24353  
resignation of, or termination of service by, a public utilities 24354  
commissioner, provide the governor with a list of four 24355  
individuals who are, in the judgment of the council, the most 24356  
fully qualified to accede to the office of commissioner. The 24357  
council shall not include the name of an individual upon the 24358  
list, if the appointment of that individual by the governor 24359  
would result in more than three members of the commission 24360  
belonging to or being affiliated with the same political party. 24361  
The council shall include on the list only the names of 24362  
attorneys admitted to the practice of law in any state or the 24363  
District of Columbia if an attorney must be appointed to fulfill 24364  
the requirement of division (D) of section 4901.02 of the 24365  
Revised Code. To the extent possible, in its performance of this 24366  
duty, the council shall continually attempt to ensure that the 24367  
primary focus of the background of two commissioners is in 24368  
energy and that the primary focus of the background of two 24369



commissioners is in transportation or communications technology. 24370

(E) In reviewing and evaluating possible appointees for 24371  
the office of public utilities commissioner, the council may 24372  
accept comments from, cooperate with, and request information 24373  
from any person. The council may make recommendations to the 24374  
general assembly concerning changes in legislation to assist the 24375  
council in the performance of its duties. 24376

(F) Within thirty days of receipt of the council's 24377  
recommendations, the governor shall fill a vacancy occurring in 24378  
the office of commissioner by appointment of one of the persons 24379  
recommended by the council. Nothing in this section shall 24380  
prevent the governor in the governor's discretion from rejecting 24381  
all of the nominees of the council and reconvening the council 24382  
in order to select four additional nominees. However, when the 24383  
governor has reconvened the council and the council has provided 24384  
the governor with a second list of four names, the governor 24385  
shall make the appointment from one of the names on the first 24386  
list or the second list. Each appointment by the governor shall 24387  
be subject to the advice and consent of the senate. 24388

(G) Members of the council shall be compensated on a per 24389  
diem basis pursuant to the procedures set forth in section 24390  
124.14 of the Revised Code plus reasonable travel expenses. All 24391  
the expenses of the nominating council shall be paid from moneys 24392  
appropriated to the public utilities commission for that 24393  
purpose. 24394

**Sec. 4906.02.** (A) (1) There is hereby created within the 24395  
public utilities commission the power siting board, composed of 24396  
the chairperson of the public utilities commission, the director 24397  
of environmental protection, the director of health, the 24398  
director of housing and development, the director of natural 24399

resources, the director of agriculture, and a representative of 24400  
the public who shall be an engineer and shall be appointed by 24401  
the governor, from a list of three nominees submitted to the 24402  
governor by the office of the consumers' counsel, with the 24403  
advice and consent of the senate and shall serve for a term of 24404  
four years. The chairperson of the public utilities commission 24405  
shall be chairperson of the board and its chief executive 24406  
officer. The chairperson shall designate one of the voting 24407  
members of the board to act as vice-chairperson who shall 24408  
possess during the absence or disability of the chairperson all 24409  
of the powers of the chairperson. All hearings, studies, and 24410  
consideration of applications for certificates shall be 24411  
conducted by the board or representatives of its members. 24412

In addition, the board shall include four legislative 24413  
members who may participate fully in all the board's 24414  
deliberations and activities except that they shall serve as 24415  
nonvoting members. The speaker of the house of representatives 24416  
shall appoint one legislative member, and the president of the 24417  
senate and minority leader of each house shall each appoint one 24418  
legislative member. Each such legislative leader shall designate 24419  
an alternate to attend meetings of the board when the regular 24420  
legislative member appointed by the legislative leader is unable 24421  
to attend. Each legislative member and alternate shall serve for 24422  
the duration of the elected term that the legislative member is 24423  
serving at the time of appointment. A quorum of the board is a 24424  
majority of its voting members. 24425

The representative of the public and, notwithstanding 24426  
section 101.26 of the Revised Code, legislative members of the 24427  
board or their designated alternates, when engaged in their 24428  
duties as members of the board, shall be paid at the per diem 24429  
rate of step 1, pay range 32, under schedule B of section 124.15 24430

of the Revised Code and shall be reimbursed for the actual and 24431  
necessary expenses they incur in the discharge of their official 24432  
duties. 24433

(2) In all cases involving an application for a 24434  
certificate or a material amendment to an existing certificate 24435  
for a utility facility, as defined in section 303.57 of the 24436  
Revised Code, the board shall include two voting ad hoc members, 24437  
as described in section 4906.021 of the Revised Code. 24438

(B) The chairperson shall keep a complete record of all 24439  
proceedings of the board, issue all necessary process, writs, 24440  
warrants, and notices, keep all books, maps, documents, and 24441  
papers ordered filed by the board, conduct investigations 24442  
pursuant to section 4906.07 of the Revised Code, and perform 24443  
such other duties as the board may prescribe. 24444

(C) The chairperson of the public utilities commission may 24445  
assign or transfer duties among the commission's staff. However, 24446  
the board's authority to grant certificates under section 24447  
4906.10 of the Revised Code shall not be exercised by any 24448  
officer, employee, or body other than the board itself. 24449

(D) (1) The chairperson may call to the chairperson's 24450  
assistance, temporarily, any employee of the environmental 24451  
protection agency, the department of natural resources, the 24452  
department of agriculture, the department of health, or the 24453  
department of housing and development, for the purpose of making 24454  
studies, conducting hearings, investigating applications, or 24455  
preparing any report required or authorized under this chapter. 24456  
Such employees shall not receive any additional compensation 24457  
over that which they receive from the agency by which they are 24458  
employed, but they shall be reimbursed for their actual and 24459  
necessary expenses incurred while working under the direction of 24460

the chairperson. All contracts for special services are subject 24461  
to the approval of the chairperson. 24462

(2) Subject to controlling board approval, the board may 24463  
contract for the services of any expert or analyst, other than 24464  
an employee described in division (D)(1) of this section, for 24465  
the purposes of carrying out the board's powers and duties as 24466  
described in Chapter 4906. of the Revised Code. Any such expert 24467  
or analyst shall be compensated from the application fee, or if 24468  
necessary, supplemental application fees assessed in accordance 24469  
with division (F) of section 4906.06 of the Revised Code. 24470

(E) The board's offices shall be located in those of the 24471  
public utilities commission. 24472

**Sec. 4928.06.** (A) Beginning on the starting date of 24473  
competitive retail electric service, the public utilities 24474  
commission shall ensure that the policy specified in section 24475  
4928.02 of the Revised Code is effectuated. To the extent 24476  
necessary, the commission shall adopt rules to carry out this 24477  
chapter. Initial rules necessary for the commencement of the 24478  
competitive retail electric service under this chapter shall be 24479  
adopted within one hundred eighty days after the effective date 24480  
of this section. Except as otherwise provided in this chapter, 24481  
the proceedings and orders of the commission under the chapter 24482  
shall be subject to and governed by Chapter 4903. of the Revised 24483  
Code. 24484

(B) If the commission determines, on or after the starting 24485  
date of competitive retail electric service, that there is a 24486  
decline or loss of effective competition with respect to a 24487  
competitive retail electric service of an electric utility, 24488  
which service was declared competitive by commission order 24489  
issued pursuant to division (A) of section 4928.04 of the 24490

Revised Code, the commission shall ensure that that service is 24491  
provided at compensatory, fair, and nondiscriminatory prices and 24492  
terms and conditions. 24493

(C) In addition to its authority under section 4928.04 of 24494  
the Revised Code and divisions (A) and (B) of this section, the 24495  
commission, on an ongoing basis, shall monitor and evaluate the 24496  
provision of retail electric service in this state for the 24497  
purpose of discerning any noncompetitive retail electric service 24498  
that should be available on a competitive basis on or after the 24499  
starting date of competitive retail electric service pursuant to 24500  
a declaration in the Revised Code, and for the purpose of 24501  
discerning any competitive retail electric service that is no 24502  
longer subject to effective competition on or after that date. 24503  
Upon such evaluation, the commission periodically shall report 24504  
its findings and any recommendations for legislation to the 24505  
standing committees of both houses of the general assembly that 24506  
have primary jurisdiction regarding public utility legislation. 24507  
Until 2008, the commission and the consumer's counsel also shall 24508  
provide biennial reports to those standing committees, regarding 24509  
the effectiveness of competition in the supply of competitive 24510  
retail electric services in this state. In addition, until the 24511  
end of all market development periods as determined by the 24512  
commission under section 4928.40 of the Revised Code, those 24513  
standing committees shall meet at least biennially to consider 24514  
the effect on this state of electric service restructuring and 24515  
to receive reports from the commission, consumers' counsel, and 24516  
director of housing and development. 24517

(D) In determining, for purposes of division (B) or (C) of 24518  
this section, whether there is effective competition in the 24519  
provision of a retail electric service or reasonably available 24520  
alternatives for that service, the commission shall consider 24521

factors including, but not limited to, all of the following: 24522

(1) The number and size of alternative providers of that 24523  
service; 24524

(2) The extent to which the service is available from 24525  
alternative suppliers in the relevant market; 24526

(3) The ability of alternative suppliers to make 24527  
functionally equivalent or substitute services readily available 24528  
at competitive prices, terms, and conditions; 24529

(4) Other indicators of market power, which may include 24530  
market share, growth in market share, ease of entry, and the 24531  
affiliation of suppliers of services. 24532

The burden of proof shall be on any entity requesting, 24533  
under division (B) or (C) of this section, a determination by 24534  
the commission of the existence of or a lack of effective 24535  
competition or reasonably available alternatives. 24536

(E) (1) Beginning on the starting date of competitive 24537  
retail electric service, the commission has authority under 24538  
Chapters 4901. to 4909. of the Revised Code, and shall exercise 24539  
that authority, to resolve abuses of market power by any 24540  
electric utility that interfere with effective competition in 24541  
the provision of retail electric service. 24542

(2) In addition to the commission's authority under 24543  
division (E) (1) of this section, the commission, beginning the 24544  
first year after the market development period of a particular 24545  
electric utility and after reasonable notice and opportunity for 24546  
hearing, may take such measures within a transmission 24547  
constrained area in the utility's certified territory as are 24548  
necessary to ensure that retail electric generation service is 24549  
provided at reasonable rates within that area. The commission 24550

may exercise this authority only upon findings that an electric 24551  
utility is or has engaged in the abuse of market power and that 24552  
that abuse is not adequately mitigated by rules and practices of 24553  
any independent transmission entity controlling the transmission 24554  
facilities. Any such measure shall be taken only to the extent 24555  
necessary to protect customers in the area from the particular 24556  
abuse of market power and to the extent the commission's 24557  
authority is not preempted by federal law. The measure shall 24558  
remain in effect until the commission, after reasonable notice 24559  
and opportunity for hearing, determines that the particular 24560  
abuse of market power has been mitigated. 24561

(F) An electric utility, electric services company, 24562  
electric cooperative, or governmental aggregator subject to 24563  
certification under section 4928.08 of the Revised Code shall 24564  
provide the commission with such information, regarding a 24565  
competitive retail electric service for which it is subject to 24566  
certification, as the commission considers necessary to carry 24567  
out this chapter. An electric utility shall provide the 24568  
commission with such information as the commission considers 24569  
necessary to carry out divisions (B) to (E) of this section. The 24570  
commission shall take such measures as it considers necessary to 24571  
protect the confidentiality of any such information. 24572

The commission shall require each electric utility to file 24573  
with the commission on and after the starting date of 24574  
competitive retail electric service an annual report of its 24575  
intrastate gross receipts and sales of kilowatt hours of 24576  
electricity, and shall require each electric services company, 24577  
electric cooperative, and governmental aggregator subject to 24578  
certification to file an annual report on and after that 24579  
starting date of such receipts and sales from the provision of 24580  
those retail electric services for which it is subject to 24581

certification. For the purpose of the reports, sales of kilowatt 24582  
hours of electricity are deemed to occur at the meter of the 24583  
retail customer. 24584

**Sec. 4928.43.** (A) Each state agency that provides 24585  
employment assistance and job training programs, including the 24586  
bureau of employment services and the department of housing and 24587  
development, shall provide concentrated attention through those 24588  
programs to assisting employees whose employment is affected by 24589  
electric industry restructuring under this chapter. 24590

(B) To the extent not prohibited by federal law or any law 24591  
of this state and except as otherwise provided in a labor 24592  
contract or other agreement, no unencumbered money in a pension 24593  
fund for employees of electric utilities shall be used for any 24594  
purpose other than to pay allowable pensions or early retirement 24595  
buyouts for the employees. 24596

**Sec. 4928.51.** (A) There is hereby established in the state 24597  
treasury a universal service fund, into which shall be deposited 24598  
all universal service revenues remitted to the director of 24599  
housing and development under this section, for the exclusive 24600  
purposes of providing funding for the low-income customer 24601  
assistance programs and for the consumer education program 24602  
authorized under section 4928.56 of the Revised Code, and paying 24603  
the administrative costs of the low-income customer assistance 24604  
programs and the consumer education program. Interest on the 24605  
fund shall be credited to the fund. Disbursements from the fund 24606  
shall be made to any supplier that provides a competitive retail 24607  
electric service or a noncompetitive retail electric service to 24608  
a customer who is approved to receive assistance under a 24609  
specified low-income customer assistance program and to any 24610  
authorized provider of weatherization or energy efficiency 24611



service to a customer approved to receive such assistance under 24612  
a specified low-income customer assistance program. 24613

(B) Universal service revenues shall include all of the 24614  
following: 24615

(1) Revenues remitted to the director after collection by 24616  
an electric distribution utility beginning July 1, 2000, 24617  
attributable to the collection from customers of the universal 24618  
service rider prescribed under section 4928.52 of the Revised 24619  
Code; 24620

(2) Revenues remitted to the director that have been 24621  
collected by an electric distribution utility beginning July 1, 24622  
2000, as customer payments under the percentage of income 24623  
payment plan program, including revenues remitted under division 24624  
(C) of this section; 24625

(3) Adequate revenues remitted to the director after 24626  
collection by a municipal electric utility or electric 24627  
cooperative in this state not earlier than July 1, 2000, upon 24628  
the utility's or cooperative's decision to participate in the 24629  
low-income customer assistance programs. 24630

(C) (1) Beginning July 1, 2000, an electric distribution 24631  
utility shall transfer to the director the right to collect all 24632  
arrearage payments of a customer for percentage of income 24633  
payment plan program debt owed to the utility on the day before 24634  
that date or retain the right to collect that debt but remit to 24635  
the director all program revenues received by the utility for 24636  
that customer. 24637

(2) A current or past percentage of income payment plan 24638  
program customer is relieved of any payment obligation under the 24639  
percentage of income payment program for any unpaid arrears 24640

accrued by the customer under the program as of the effective 24641  
date of this section if the customer, as determined by the 24642  
director, meets both of the following criteria: 24643

(a) The customer as of that date has complied with 24644  
customer payment responsibilities under the program. 24645

(b) The customer is permanently and totally disabled as 24646  
defined in section 5117.01 of the Revised Code or is sixty-five 24647  
years of age or older as defined in that section. 24648

(D) The public utilities commission shall complete an 24649  
audit of each electric utility by July 1, 2000, for the purpose 24650  
of establishing a baseline for the percentage of income payment 24651  
plan program component of the low-income assistance programs. 24652

**Sec. 4928.52.** (A) Beginning July 1, 2000, the universal 24653  
service rider shall replace the percentage of income payment 24654  
plan rider in existence on the effective date of this section 24655  
and any amount in the rates of an electric utility for the 24656  
funding of low-income customer energy efficiency programs. The 24657  
universal service rider shall be a rider on retail electric 24658  
distribution service rates as such rates are determined by the 24659  
public utilities commission pursuant to this chapter. The 24660  
universal service rider for the first five years after the 24661  
starting date of competitive retail electric service shall be 24662  
the sum of all of the following: 24663

(1) The level of the percentage of income payment plan 24664  
program rider in existence on the effective date of this 24665  
section; 24666

(2) An amount equal to the level of funding for low-income 24667  
customer energy efficiency programs provided through electric 24668  
utility rates in effect on the effective date of this section; 24669

(3) Any additional amount necessary and sufficient to fund 24670  
through the universal service rider the administrative costs of 24671  
the low-income customer assistance programs and the consumer 24672  
education program created in section 4928.56 of the Revised 24673  
Code. 24674

(B) If, during or after the five-year period specified in 24675  
division (A) of this section, the director of housing and 24676  
development, after consultation with the public benefits 24677  
advisory board created under section 4928.58 of the Revised 24678  
Code, determines that revenues in the universal service fund and 24679  
revenues from federal or other sources of funding for those 24680  
programs, including general revenue fund appropriations for the 24681  
Ohio energy credit program, will be insufficient to cover the 24682  
administrative costs of the low-income customer assistance 24683  
programs and the consumer education program and provide adequate 24684  
funding for those programs, the director shall file a petition 24685  
with the commission for an increase in the universal service 24686  
rider. The commission, after reasonable notice and opportunity 24687  
for hearing, may adjust the universal service rider by the 24688  
minimum amount necessary to provide the additional revenues. The 24689  
commission shall not decrease the universal service rider 24690  
without the approval of the director, after consultation by the 24691  
director with the advisory board. 24692

(C) The universal service rider established under division 24693  
(A) or (B) of this section shall be set in such a manner so as 24694  
not to shift among the customer classes of electric distribution 24695  
utilities the costs of funding low-income customer assistance 24696  
programs. 24697

**Sec. 4928.53.** (A) Beginning July 1, 2000, the director of 24698  
housing and development is hereby authorized to administer the 24699

low-income customer assistance programs. For that purpose, the 24700  
public utilities commission shall cooperate with and provide 24701  
such assistance as the director requires for administration of 24702  
the low-income customer assistance programs. The director shall 24703  
consolidate the administration of and redesign and coordinate 24704  
the operations of those programs within the department to 24705  
provide, to the maximum extent possible, for efficient program 24706  
administration and a one-stop application and eligibility 24707  
determination process at the local level for consumers. 24708

(B) (1) Not later than March 1, 2000, the director, in 24709  
accordance with Chapter 119. of the Revised Code, shall adopt 24710  
rules to carry out sections 4928.51 to 4928.58 of the Revised 24711  
Code and ensure the effective and efficient administration and 24712  
operation of the low-income customer assistance programs. The 24713  
rules shall take effect on July 1, 2000. 24714

(2) The director's authority to adopt rules under this 24715  
division for the Ohio energy credit program shall be subject to 24716  
such rule-making authority as is conferred on the director by 24717  
sections 5117.01 to 5117.12 of the Revised Code, as amended by 24718  
Sub. S.B. No. 3 of the 123rd general assembly, except that rules 24719  
initially adopted by the director for the Ohio energy credit 24720  
program shall incorporate the substance of those sections as 24721  
they exist on the effective date of this section. 24722

(3) The director's authority to adopt rules under this 24723  
division for the percentage of income payment plan program shall 24724  
include authority to adopt rules prescribing criteria for 24725  
customer eligibility and policies regarding payment and 24726  
crediting arrangements and responsibilities, procedures for 24727  
verifying customer eligibility, procedures for disbursing public 24728  
funds to suppliers and otherwise administering funds under the 24729

director's jurisdiction, and requirements as to timely 24730  
remittances of revenues described in division (B) of section 24731  
4928.51 of the Revised Code. The rules shall prohibit the 24732  
imposition of a waiting period before enrolling an eligible 24733  
customer in the percentage of income payment plan. The 24734  
director's authority in division (B)(3) of this section excludes 24735  
authority to prescribe service disconnection and customer 24736  
billing policies and procedures and to address complaints 24737  
against suppliers under the percentage of payment plan program, 24738  
which excluded authority shall be exercised by the public 24739  
utilities commission, in coordination with the director. Rules 24740  
adopted by the director under this division for the percentage 24741  
of income payment plan program shall specify a level of payment 24742  
responsibility to be borne by an eligible customer based on a 24743  
percentage of the customer's income. Rules initially adopted by 24744  
the director for the percentage of income payment plan program 24745  
shall incorporate the eligibility criteria and payment 24746  
arrangement and responsibility policies set forth in rule 24747  
4901:1-18-04(B) of the Ohio Administrative Code in effect on the 24748  
effective date of this section. 24749

**Sec. 4928.54.** The director of housing and development 24750  
~~services~~ shall aggregate percentage of income payment plan 24751  
program customers for the purpose of establishing a competitive 24752  
procurement process for the supply of competitive retail 24753  
electric service for those customers. The process shall be an 24754  
auction. Only bidders certified under section 4928.08 of the 24755  
Revised Code may participate in the auction. 24756

**Sec. 4928.543.** The director of housing and development 24757  
~~services~~ shall adopt rules in accordance with Chapter 119. of 24758  
the Revised Code to implement sections 4928.54, 4928.541, and 24759  
4928.542 of the Revised Code. The rules shall ensure a fair and 24760

unbiased auction process and the performance of the winning  
bidder or bidders.

**Sec. 4928.544.** (A) For the purpose of facilitating  
compliance with sections 4928.54, 4928.541, and 4928.542 of the  
Revised Code, and upon written request by the director of  
housing and development~~services~~, the public utilities  
commission shall design, manage, and supervise the competitive  
procurement process required by section 4928.54 of the Revised  
Code. To the extent reasonably possible, and to minimize costs,  
the process may be designed based on any existing competitive  
procurement process for the establishment of the default  
generation supply price for electric distribution utilities.

This division does not preclude a process design that is  
based on a competitive procurement process that applies to the  
combined certified territories of electric distribution  
utilities subject to common ownership.

(B) The director of housing and development ~~services~~ shall  
reimburse the commission for its costs incurred under division  
(A) of this section. The reimbursements constitute  
administrative costs of the low-income customer assistance  
programs for the purpose of division (A) of section 4928.51 of  
the Revised Code.

**Sec. 4928.55.** The director of housing and development  
~~services~~ shall establish an energy efficiency and weatherization  
program targeted, to the extent practicable, to high-cost, high-  
volume use structures occupied by customers eligible for the  
percentage of income payment plan program, with the goal of  
reducing the energy bills of the occupants. Acceptance of energy  
efficiency and weatherization services provided by the program  
shall be a condition for the eligibility of any such customer to

participate in the percentage of income payment plan program. 24791

**Sec. 4928.56.** The director of housing and development may 24792  
adopt rules in accordance with Chapter 119. of the Revised Code 24793  
establishing an education program for consumers eligible to 24794  
participate in the low-income customer assistance programs. The 24795  
education program shall provide information to consumers 24796  
regarding energy efficiency and energy conservation. 24797

**Sec. 4928.57.** On and after the starting date of 24798  
competitive retail electric service, the director of housing and 24799  
development shall provide a report every two years until 2008 to 24800  
the standing committees of the general assembly that deal with 24801  
public utility matters, regarding the effectiveness of the low- 24802  
income customer assistance programs and the consumer education 24803  
program, and the effectiveness of the advanced energy program 24804  
created under sections 4928.61 to 4928.63 of the Revised Code. 24805

**Sec. 4928.58.** (A) There is hereby created the public 24806  
benefits advisory board, which has the purpose of ensuring that 24807  
energy services be provided to low-income consumers in this 24808  
state in an affordable manner consistent with the policy 24809  
specified in section 4928.02 of the Revised Code. The advisory 24810  
board shall consist of twenty-one members as follows: the 24811  
director of housing and development, the chairperson of the 24812  
public utilities commission, the consumers' counsel, and the 24813  
director of the air quality development authority, each serving 24814  
ex officio and represented by a designee at the official's 24815  
discretion; two members of the house of representatives 24816  
appointed by the speaker of the house of representatives, 24817  
neither of the same political party, and two members of the 24818  
senate appointed by the president of the senate, neither of the 24819  
same political party; and thirteen members appointed by the 24820

governor with the advice and consent of the senate, consisting 24821  
of one representative of suppliers of competitive retail 24822  
electric service; one representative of the residential class of 24823  
electric utility customers; one representative of the industrial 24824  
class of electric utility customers; one representative of the 24825  
commercial class of electric utility customers; one 24826  
representative of agricultural or rural customers of an electric 24827  
utility; two customers receiving assistance under one or more of 24828  
the low-income customer assistance programs, to represent 24829  
customers eligible for any such assistance, including senior 24830  
citizens; one representative of the general public; one 24831  
representative of local intake agencies; one representative of a 24832  
community-based organization serving low-income customers; one 24833  
representative of environmental protection interests; one 24834  
representative of lending institutions; and one person 24835  
considered an expert in energy efficiency or renewables 24836  
technology. Initial appointments shall be made not later than 24837  
November 1, 1999. 24838

(B) Initial terms of six of the appointed members shall 24839  
end on June 30, 2003, and initial terms of the remaining seven 24840  
appointed members shall end on June 30, 2004. Thereafter, terms 24841  
of appointed members shall be for three years, with each term 24842  
ending on the same day of the same month as the term it 24843  
succeeds. Each member shall hold office from the date of the 24844  
member's appointment until the end of the term for which the 24845  
member was appointed. Members may be reappointed. 24846

Vacancies shall be filled in the manner provided for 24847  
original appointments. Any member appointed to fill a vacancy 24848  
occurring prior to the expiration date of the term for which the 24849  
member's predecessor was appointed shall hold office as a member 24850  
for the remainder of that term. A member shall continue in 24851



office after the expiration date of the member's term until the 24852  
member's successor takes office or until a period of sixty days 24853  
has elapsed, whichever occurs first. 24854

(C) Board members shall be reimbursed for their actual and 24855  
necessary expenses incurred in the performance of board duties. 24856  
The reimbursements constitute, as applicable, administrative 24857  
costs of the low-income customer assistance programs for the 24858  
purpose of division (A) of section 4928.51 of the Revised Code 24859  
or administrative costs of the advanced energy program for the 24860  
purpose of division (A) of section 4528.61 of the Revised Code. 24861

(D) The advisory board shall select a chairperson from 24862  
among its members. Only board members appointed by the governor 24863  
with the advice and consent of the senate shall be voting 24864  
members of the board; each shall have one vote in all 24865  
deliberations of the board. A majority of the voting members 24866  
constitute a quorum. 24867

(E) The duties of the advisory board shall be as follows: 24868

(1) Advise the director in the administration of the 24869  
universal service fund and the low-income customer assistance 24870  
programs and advise the director on the director's 24871  
recommendation to the commission regarding the appropriate level 24872  
of the universal service rider; 24873

(2) Advise the director on the administration of the 24874  
advanced energy program and the advanced energy fund under 24875  
sections 4928.61 to 4928.63 of the Revised Code. 24876

(F) The advisory board is not an agency for purposes of 24877  
sections 101.82 to 101.87 of the Revised Code. 24878

**Sec. 4928.581.** (A) The public benefits advisory board 24879  
shall conduct an independent investigation and analysis for the 24880

purpose of making the report required under division (B) of this 24881  
section. 24882

(B) With the approval of a majority of its voting members, 24883  
the board shall prepare a written report containing all of the 24884  
following: 24885

(1) For each year since the establishment of the universal 24886  
service fund and for each electric distribution utility, the 24887  
annual amount of revenue collected from customers for the 24888  
purpose of supporting the universal service fund and the low- 24889  
income customer assistance programs. 24890

(2) For 2016, 2017, and 2018, and for each electric 24891  
distribution utility, a forecast of the annual amount of revenue 24892  
that will be collected from customers for the purpose of 24893  
supporting the universal service fund and the low-income 24894  
customer assistance programs, assuming no changes are made to 24895  
the programs. The forecast shall identify all assumptions, input 24896  
variables, and values assigned to input variables. The forecast 24897  
may include alternative outcomes based on variations in the 24898  
assumptions, variables, and values, so as to show the 24899  
sensitivity of the forecast to alternative inputs. 24900

(3) A recommendation as to any changes that should be made 24901  
to the design and implementation of the current universal 24902  
service fund and the low-income customer assistance programs to 24903  
ensure that energy services are provided to low-income and other 24904  
consumers in this state in an affordable manner consistent with 24905  
the policy specified in section 4928.02 of the Revised Code. 24906

(C) The report required under division (B) of this section 24907  
may include dissenting views and alternative recommendations. 24908

(D) On or before December 15, 2015, the board shall submit 24909

the report required under division (B) of this section to the 24910  
governor, the president of the senate, the speaker of the house 24911  
of representatives, each member of the standing committees of 24912  
both houses of the general assembly that have primary 24913  
jurisdiction regarding public utility legislation, the director 24914  
of housing and development~~services~~, the chairperson of the 24915  
public utilities commission, the Ohio consumers' counsel, and 24916  
each member of the public benefits advisory board. 24917

**Sec. 4928.582.** (A) To discharge the duties under section 24918  
4928.581 of the Revised Code, the public benefits advisory board 24919  
may obtain professional services as the board determines 24920  
appropriate. The professionals shall be promptly reimbursed by 24921  
the director of housing and development ~~services~~ for the actual 24922  
and necessary expenses incurred in the performance of their 24923  
duties under section 4928.581 of the Revised Code. The 24924  
reimbursements constitute administrative costs of the low-income 24925  
customer assistance programs for the purpose of division (A) of 24926  
section 4928.51 of the Revised Code. 24927

(B) The chairperson of the board may execute, subject to 24928  
the advice and consent of the board, any professional-services 24929  
retention agreements that the board determines appropriate. 24930

**Sec. 4928.583.** The director of housing and development 24931  
~~services~~, the public utilities commission, and each electric 24932  
distribution utility shall promptly respond to requests by the 24933  
public benefits advisory board for information needed to prepare 24934  
the report required under section 4928.581 of the Revised Code. 24935

**Sec. 4928.61.** (A) There is hereby established in the state 24936  
treasury the advanced energy fund, into which shall be deposited 24937  
all advanced energy revenues remitted to the director of housing 24938  
and development under division (B) of this section, for the 24939

exclusive purposes of funding the advanced energy program 24940  
created under section 4928.62 of the Revised Code and paying the 24941  
program's administrative costs. Interest on the fund shall be 24942  
credited to the fund. 24943

(B) Advanced energy revenues shall include all of the 24944  
following: 24945

(1) Revenues remitted to the director after collection by 24946  
each electric distribution utility in this state of a temporary 24947  
rider on retail electric distribution service rates as such 24948  
rates are determined by the public utilities commission pursuant 24949  
to this chapter. The rider shall be a uniform amount statewide, 24950  
determined by the director of housing and development, after 24951  
consultation with the public benefits advisory board created by 24952  
section 4928.58 of the Revised Code. The amount shall be 24953  
determined by dividing an aggregate revenue target for a given 24954  
year as determined by the director, after consultation with the 24955  
advisory board, by the number of customers of electric 24956  
distribution utilities in this state in the prior year. Such 24957  
aggregate revenue target shall not exceed more than fifteen 24958  
million dollars in any year through 2005 and shall not exceed 24959  
more than five million dollars in any year after 2005. The rider 24960  
shall be imposed beginning on the effective date of the 24961  
amendment of this section by Sub. H.B. 251 of the 126th general 24962  
assembly, January 4, 2007, and shall terminate at the end of ten 24963  
years following the starting date of competitive retail electric 24964  
service or until the advanced energy fund, including interest, 24965  
reaches one hundred million dollars, whichever is first. 24966

(2) Revenues from payments, repayments, and collections 24967  
under the advanced energy program and from program income; 24968

(3) Revenues remitted to the director after collection by 24969

a municipal electric utility or electric cooperative in this 24970  
state upon the utility's or cooperative's decision to 24971  
participate in the advanced energy fund; 24972

(4) Revenues from renewable energy compliance payments as 24973  
provided under division (C) (2) of section 4928.64 of the Revised 24974  
Code; 24975

(5) Revenue from forfeitures under division (C) of section 24976  
4928.66 of the Revised Code; 24977

(6) Funds transferred pursuant to division (B) of Section 24978  
512.10 of S.B. 315 of the 129th general assembly; 24979

(7) Interest earnings on the advanced energy fund. 24980

(C) (1) Each electric distribution utility in this state 24981  
shall remit to the director on a quarterly basis the revenues 24982  
described in divisions (B) (1) and (2) of this section. Such 24983  
remittances shall occur within thirty days after the end of each 24984  
calendar quarter. 24985

(2) Each participating electric cooperative and 24986  
participating municipal electric utility shall remit to the 24987  
director on a quarterly basis the revenues described in division 24988  
(B) (3) of this section. Such remittances shall occur within 24989  
thirty days after the end of each calendar quarter. For the 24990  
purpose of division (B) (3) of this section, the participation of 24991  
an electric cooperative or municipal electric utility in the 24992  
energy efficiency revolving loan program as it existed 24993  
immediately prior to the effective date of the amendment of this 24994  
section by Sub. H.B. 251 of the 126th general assembly, January 24995  
4, 2007, does not constitute a decision to participate in the 24996  
advanced energy fund under this section as so amended. 24997

(3) All remittances under divisions (C) (1) and (2) of this 24998

section shall continue only until the end of ten years following 24999  
the starting date of competitive retail electric service or 25000  
until the advanced energy fund, including interest, reaches one 25001  
hundred million dollars, whichever is first. 25002

(D) Any moneys collected in rates for non-low-income 25003  
customer energy efficiency programs, as of October 5, 1999, and 25004  
not contributed to the energy efficiency revolving loan fund 25005  
authorized under this section prior to the effective date of its 25006  
amendment by Sub. H.B. 251 of the 126th general assembly, 25007  
January 4, 2007, shall be used to continue to fund cost- 25008  
effective, residential energy efficiency programs, be 25009  
contributed into the universal service fund as a supplement to 25010  
that required under section 4928.53 of the Revised Code, or be 25011  
returned to ratepayers in the form of a rate reduction at the 25012  
option of the affected electric distribution utility. 25013

**Sec. 4928.62.** (A) There is hereby created the advanced 25014  
energy program, which shall be administered by the director of 25015  
housing and development. Under the program, the director may 25016  
authorize the use of moneys in the advanced energy fund for 25017  
financial, technical, and related assistance for advanced energy 25018  
projects in this state or for economic development assistance, 25019  
in furtherance of the purposes set forth in section 4928.63 of 25020  
the Revised Code. 25021

(1) To the extent feasible given approved applications for 25022  
assistance, the assistance shall be distributed among the 25023  
certified territories of electric distribution utilities and 25024  
participating electric cooperatives, and among the service areas 25025  
of participating municipal electric utilities, in amounts 25026  
proportionate to the remittances of each utility and cooperative 25027  
under divisions (B) (1) and (3) of section 4928.61 of the Revised 25028

Code. 25029

(2) The funds described in division (B) (6) of section 25030  
4928.61 of the Revised Code shall not be subject to the 25031  
territorial requirements of division (A) (1) of this section. 25032

(3) The director shall not authorize financial assistance 25033  
for an advanced energy project under the program unless the 25034  
director first determines that the project will create new jobs 25035  
or preserve existing jobs in this state or use innovative 25036  
technologies or materials. 25037

(B) In carrying out sections 4928.61 to 4928.63 of the 25038  
Revised Code, the director may do all of the following to 25039  
further the public interest in advanced energy projects and 25040  
economic development: 25041

(1) Award grants, contracts, loans, loan participation 25042  
agreements, linked deposits, and energy production incentives; 25043

(2) Acquire in the name of the director any property of 25044  
any kind or character in accordance with this section, by 25045  
purchase, purchase at foreclosure, or exchange, on such terms 25046  
and in such manner as the director considers proper; 25047

(3) Make and enter into all contracts and agreements 25048  
necessary or incidental to the performance of the director's 25049  
duties and the exercise of the director's powers under sections 25050  
4928.61 to 4928.63 of the Revised Code; 25051

(4) Employ or enter into contracts with financial 25052  
consultants, marketing consultants, consulting engineers, 25053  
architects, managers, construction experts, attorneys, technical 25054  
monitors, energy evaluators, or other employees or agents as the 25055  
director considers necessary, and fix their compensation; 25056

(5) Adopt rules prescribing the application procedures for financial assistance under the advanced energy program; the fees, charges, interest rates, payment schedules, local match requirements, and other terms and conditions of any grants, contracts, loans, loan participation agreements, linked deposits, and energy production incentives; criteria pertaining to the eligibility of participating lending institutions; and any other matters necessary for the implementation of the program;

(6) Do all things necessary and appropriate for the operation of the program.

(C) The department of housing and development may hold ownership to any unclaimed energy efficiency and renewable energy emission allowances provided for in Chapter 3745-14 of the Administrative Code or otherwise, that result from advanced energy projects that receive funding from the advanced energy fund, and it may use the allowances to further the public interest in advanced energy projects or for economic development.

(D) Financial statements, financial data, and trade secrets submitted to or received by the director from an applicant or recipient of financial assistance under sections 4928.61 to 4928.63 of the Revised Code, or any information taken from those statements, data, or trade secrets for any purpose, are not public records for the purpose of section 149.43 of the Revised Code.

(E) Nothing in the amendments of sections 4928.61, 4928.62, and 4928.63 of the Revised Code by Sub. H.B. 251 of the 126th general assembly shall affect any pending or effected assistance, pending or effected purchases or exchanges of



property made, or pending or effected contracts or agreements 25087  
entered into pursuant to division (A) or (B) of this section as 25088  
the section existed prior to the effective date of those 25089  
amendments, January 4, 2007, or shall affect the exemption 25090  
provided under division (C) of this section as the section 25091  
existed prior to that effective date. 25092

(F) Any assistance a school district receives for an 25093  
advanced energy project, including a geothermal heating, 25094  
ventilating, and air conditioning system, shall be in addition 25095  
to any assistance provided under Chapter 3318. of the Revised 25096  
Code and shall not be included as part of the district or state 25097  
portion of the basic project cost under that chapter. 25098

**Sec. 4928.63.** The director of housing and development and 25099  
the public benefits advisory board have the powers and duties 25100  
provided in sections 4928.61 and 4928.62 of the Revised Code, in 25101  
order to promote the welfare of the people of this state; 25102  
stabilize the economy; assist in the improvement and development 25103  
within this state of not-for-profit entity, industrial, 25104  
commercial, distribution, residential, and research buildings 25105  
and activities required for the people of this state; improve 25106  
the economic welfare of the people of this state by reducing 25107  
energy costs and by reducing energy usage in a cost-efficient 25108  
manner using, as determined by the director, both the most 25109  
appropriate national, federal, or other standards for products 25110  
and the best practices for the use of technology, products, or 25111  
services in the context of a total facility or building; and 25112  
assist in the lowering of energy demand to reduce air, water, or 25113  
thermal pollution. It is hereby determined that the 25114  
accomplishment of those purposes is essential so that the people 25115  
of this state may maintain their present high standards in 25116  
comparison with the people of other states and so that 25117

opportunities for improving the economic welfare of the people 25118  
of this state, for improving the housing of residents of this 25119  
state, and for favorable markets for the products of this 25120  
state's natural resources, agriculture, and manufacturing shall 25121  
be improved; and that it is necessary for this state to 25122  
establish the program authorized pursuant to sections 4928.61 25123  
and 4928.62 of the Revised Code. 25124

**Sec. 4928.75.** Beginning in fiscal year 2021 and each 25125  
fiscal year thereafter, the director of housing and development 25126  
~~services~~ shall, in each fiscal year, submit a completed waiver 25127  
request in accordance with section 96.83 of Title 45 of the Code 25128  
of Federal Regulations to the United States department of health 25129  
and human services and any other applicable federal agencies for 25130  
the state to expend twenty-five per cent of federal low-income 25131  
home energy assistance programs funds from the home energy 25132  
assistance block grants for weatherization services allowed by 25133  
section 96.83(a) of Title 45 of the Code of Federal Regulations 25134  
to the United States department of health and human services. 25135

**Sec. 4929.16.** As used in sections 4929.16 to 4929.167 of 25136  
the Revised Code: 25137

(A) "Infrastructure development" means constructing, 25138  
upgrading, extending, or any other investment in, or associated 25139  
with, transmission or distribution facilities that, except as 25140  
provided for in division (B) (2) (b) of this section, a natural 25141  
gas company owns and operates. 25142

(B) (1) "Infrastructure development costs" means costs 25143  
associated with an investment in infrastructure development to 25144  
which either of the following apply: 25145

(a) The investment is for any deposit required by the 25146

natural gas company, as defined in the line-extension provision 25147  
of the company's tariff, less any contribution in aid of 25148  
construction received from the owner or developer of the 25149  
project. 25150

(b) The investment is designed to provide natural gas 25151  
service to a site or economic development project that is 25152  
supported by JobsOhio, any JobsOhio network or regional partner, 25153  
or the department of housing and development. 25154

(2) "Infrastructure development costs" includes all of the 25155  
following: 25156

(a) Planning, development, and construction costs, 25157  
including costs incurred prior to the approval of an economic 25158  
development project pursuant to section 4929.163 of the Revised 25159  
Code; 25160

(b) Costs associated with establishing or upgrading any 25161  
connections with any source of supply to serve an economic 25162  
development project, including interstate or intrastate 25163  
pipelines, regardless of ownership of the facilities; 25164

(c) A return on all infrastructure development costs, with 25165  
such return equal to the natural gas company's return on equity 25166  
authorized in the natural gas company's most recently approved 25167  
rate case under section 4909.18 of the Revised Code. 25168

**Sec. 4929.161.** (A) A natural gas company may file an 25169  
application with the public utilities commission for approval of 25170  
an infrastructure development rider to recover prudently 25171  
incurred infrastructure development costs of one or more 25172  
economic development projects approved under section 4929.163 of 25173  
the Revised Code. 25174

(B) The commission shall approve a maximum of one 25175

infrastructure development rider per company. 25176

(C) The commission shall not accept an application for 25177  
infrastructure development costs described under division (B) (1) 25178  
(b) of section 4929.16 of the Revised Code unless a natural gas 25179  
company has obtained a notification by JobsOhio, any JobsOhio 25180  
network or regional partner, or the director of housing and 25181  
development that the project should be considered. The 25182  
commission shall not approve an application for an economic 25183  
development project that includes infrastructure development 25184  
costs described under division (B) (1) (b) of section 4929.16 of 25185  
the Revised Code filed beyond six years from March 28, 2024, the 25186  
effective date of the amendment to this section by H.B. 201 of 25187  
the 135th general assembly. 25188

(D) Notwithstanding division (C) of this section, recovery 25189  
of infrastructure development costs pursuant to section 4929.16 25190  
of the Revised Code for any approved economic development 25191  
projects filed within six years of March 28, 2024, the effective 25192  
date of the amendment to this section by H.B. 201 of the 135th 25193  
general assembly, shall continue until such time as all costs 25194  
eligible for recovery under sections 4929.16 to 4929.163 of the 25195  
Revised Code are recovered. 25196

**Sec. 4929.163.** (A) A natural gas company may file an 25197  
application with the public utilities commission for approval of 25198  
an economic development project for which the company will incur 25199  
infrastructure development costs. 25200

(B) The company shall file the application for project 25201  
approval prior to beginning the project. 25202

(C) The application for project approval, to the extent 25203  
applicable, shall contain a description of each of the 25204

following: 25205

(1) The economic development project; 25206

(2) The infrastructure development costs to be expended on 25207  
the project; 25208

(3) How the project meets the criteria set forth in rules 25209  
adopted under division (D) of this section; 25210

(4) The support for the project by an economic development 25211  
entity or chamber of commerce. For purposes of this application 25212  
requirement, "economic development entity" includes any of the 25213  
following: 25214

(a) JobsOhio or any JobsOhio network or regional partner; 25215

(b) Department of housing and development; 25216

(c) Port authority created under Chapter 4582. of the 25217  
Revised Code; 25218

(d) Special improvement district created under Chapter 25219  
1710. of the Revised Code; 25220

(e) Community urban redevelopment corporation qualified to 25221  
operate under Chapter 1728. of the Revised Code; 25222

(f) Community improvement corporation organized under 25223  
Chapter 1724. of the Revised Code; 25224

(g) New community authority organized under Chapter 349. 25225  
of the Revised Code; 25226

(h) Joint economic development district created under 25227  
section 715.70 or 715.71 of the Revised Code; 25228

(i) Development corporation organized under Chapter 1726. 25229  
of the Revised Code; 25230

(j) Municipal utility district designated under section 25231  
715.84 of the Revised Code. 25232

(D) (1) The commission shall adopt rules setting forth the 25233  
criteria for project approval under this section. 25234

(2) The commission may approve a project under this 25235  
section that involves infrastructure development costs described 25236  
in division (B) (1) (a) of section 4929.16 of the Revised Code if 25237  
the infrastructure development costs, excluding the return set 25238  
forth in division (B) (2) (c) of section 4929.16 of the Revised 25239  
Code, are projected to generate a return on the company's 25240  
investment that is less than the most recently authorized return 25241  
on equity. 25242

(E) The commission shall adopt rules to provide for an 25243  
accelerated review of an application filed under division (A) of 25244  
this section. The rules shall provide for the automatic approval 25245  
of the application not later than thirty days after the date of 25246  
the application filing unless the commission suspends the 25247  
application for good cause shown. If the application is 25248  
suspended, the commission shall approve, deny, modify, or hold a 25249  
hearing on the application not later than forty-five days after 25250  
the date that the suspension begins. 25251

**Sec. 4981.02.** (A) There is hereby created the Ohio rail 25252  
development commission, as an independent agency of the state 25253  
within the department of transportation, consisting of the 25254  
following members: 25255

(1) Two members of the Ohio senate, one of whom shall be 25256  
appointed by and serve at the pleasure of the president of the 25257  
senate and one of whom shall be appointed by and serve at the 25258  
pleasure of the minority leader of the senate; 25259

(2) Two members of the Ohio house of representatives, one 25260  
of whom shall be appointed by and serve at the pleasure of the 25261  
speaker of the house of representatives and one of whom shall be 25262  
appointed by and serve at the pleasure of the minority leader of 25263  
the house of representatives; 25264

(3) Two members representing the general public, one of 25265  
whom shall be appointed by the president of the senate and one 25266  
of whom shall be appointed by the speaker of the house of 25267  
representatives; 25268

(4) The director of transportation, or the director's 25269  
designee, who shall be an ex officio member; 25270

(5) The director of housing and development, or the 25271  
director's designee, who shall be an ex officio member; 25272

(6) The following members appointed by the governor with 25273  
the advice and consent of the senate: 25274

(a) One member, who shall serve as chairperson of the 25275  
commission until October 21, 2025, or an earlier date if the 25276  
member resigns or otherwise leaves office; 25277

(b) One member, who shall represent the interests of a 25278  
freight rail company; 25279

(c) One member, who shall represent the interests of 25280  
passenger rail service; 25281

(d) One member, who shall have expertise in infrastructure 25282  
financing; 25283

(e) One member, who shall represent the interests of 25284  
organized labor; 25285

(f) One member, who shall represent the interests of 25286

manufacturers; 25287

(g) One member who shall represent the general public, 25288  
subject to division (B) of this section. 25289

(B) Beginning on October 21, 2025, or at an earlier date 25290  
if there is a vacancy in the position of chairperson, the 25291  
director of transportation or the director's designee shall 25292  
serve as the chairperson of the commission. Upon the director or 25293  
director's designee assuming the position of chairperson, the 25294  
governor shall appoint an additional member to the commission to 25295  
represent the general public. 25296

(C) All members shall be reimbursed for actual expenses 25297  
incurred in the performance of their duties. The members of the 25298  
commission from the Ohio senate and the Ohio house of 25299  
representatives shall serve as nonvoting members. No more than 25300  
four members of the seven appointed to the commission by the 25301  
governor shall be from the same political party. Each member of 25302  
the commission shall be a resident of this state. 25303

(D) Within sixty days after October 20, 1994, the governor 25304  
shall make initial appointments to the commission. Of the 25305  
initial appointments made to the commission, three shall be for 25306  
a term ending three years after October 20, 1994, and three 25307  
shall be for a term ending six years after that date. Terms for 25308  
all other appointments made to the commission shall be for six 25309  
years. Vacancies shall be filled in the manner provided for 25310  
original appointments. Any member appointed to fill a vacancy 25311  
shall have the same qualifications as the member's predecessor. 25312  
Each term shall end on the same day of the same month of the 25313  
year as did the term which it succeeds. Each appointed member 25314  
shall hold office from the date of the member's appointment 25315  
until the end of the term for which the member was appointed. 25316



Any member appointed to fill a vacancy before the expiration of 25317  
the term for which the member's predecessor was appointed shall 25318  
hold office for the remainder of that term. Any appointed member 25319  
shall continue in office subsequent to the expiration date of 25320  
the member's term until the member's successor takes office, or 25321  
for a period of sixty days, whichever occurs first. All members 25322  
shall be eligible for reappointment. 25323

(E) The commission may employ an executive director, who 25324  
shall have appropriate experience as determined by the 25325  
commission, and a secretary-treasurer and other employees that 25326  
the commission considers appropriate. The commission may fix the 25327  
compensation of the employees. 25328

(F) Six members of the commission shall constitute a 25329  
quorum, and the affirmative vote of six members shall be 25330  
necessary for any action taken by the commission. No vacancy in 25331  
the membership of the commission shall impair the rights of a 25332  
quorum to exercise all the rights and perform all the duties of 25333  
the commission. 25334

(G) All members of the commission are subject to Chapter 25335  
102. of the Revised Code. 25336

(H) The department of transportation may use all 25337  
appropriate sources of revenue to assist the commission in 25338  
developing and implementing rail service. 25339

(I) Expenditures by the department of transportation, the 25340  
Ohio rail development commission, or any other state agency for 25341  
capital improvements for the development of passenger rail shall 25342  
be subject to the approval of the controlling board with an 25343  
affirmative vote of not fewer than five members, including the 25344  
affirmative vote of a majority of the controlling board members 25345

appointed by the president of the senate and a majority of the 25346  
controlling board members appointed by the speaker of the house 25347  
of representatives. All public funds acquired by the commission 25348  
shall be used for developing, implementing, and regulating rail 25349  
service and not for operating rail service unless the general 25350  
assembly specifically approves the expenditure of funds for 25351  
operating rail service. 25352

**Sec. 4981.03.** (A) The Ohio rail development commission 25353  
shall do all of the following: 25354

(1) Develop, promote, and support safe, adequate, and 25355  
efficient rail service throughout the state; 25356

(2) Maintain adequate programs of investigation, research, 25357  
promotion, planning, and development for rail service, which 25358  
programs shall include the consideration of recommendations by 25359  
public or private planning organizations; 25360

(3) Provide for the participation of private corporations 25361  
or organizations and the public in the development, 25362  
construction, operation, and maintenance of rail service, and as 25363  
franchisees of rail service. 25364

(B) In regard to rail service, the Ohio rail development 25365  
commission is the successor of the Ohio high speed rail 25366  
authority and the division of rail transportation of the 25367  
department of transportation. The commission shall succeed to 25368  
all federal allotments, entitlements, subsidies, and grants now 25369  
existing, whether such allotments, entitlements, subsidies, and 25370  
grants are encumbered or unencumbered, in the same manner and 25371  
with the same authority as the Ohio high speed rail authority 25372  
and the division of rail transportation exercised prior to 25373  
October 20, 1994. 25374

(C) Every authority, commission, department, or other 25375  
agency of this state shall provide the commission with data, 25376  
plans, research, and any other information that the commission 25377  
requests to assist it in performing its duties pursuant to this 25378  
chapter. 25379

(D) The commission may request and contract with any 25380  
railroad to provide it with data and information necessary to 25381  
carry out the purposes of this chapter. All railroads operating 25382  
within this state shall provide the requested data and 25383  
information to the commission. The commission shall not disclose 25384  
any confidential data or information supplied to it. 25385

(E) The commission shall cooperate with the director of 25386  
housing and development by exercising the commission's duty to 25387  
promote and develop rail service in this state in conjunction 25388  
with the director's exercise of ~~his~~ duty to promote the economic 25389  
development of this state. 25390

(F) The commission, when developing rail service 25391  
throughout the state, may give priority to projects undertaken 25392  
within the geographic boundaries of qualifying subdivisions. 25393

**Sec. 5101.16.** (A) As used in this section and sections 25394  
5101.161 and 5101.162 of the Revised Code: 25395

(1) "Disability financial assistance" means the financial 25396  
assistance program established under former Chapter 5115. of the 25397  
Revised Code. 25398

(2) "Supplemental nutrition assistance program" means the 25399  
program administered by the department of job and family 25400  
services pursuant to section 5101.54 of the Revised Code. 25401

(3) "Ohio works first" means the program established by 25402  
Chapter 5107. of the Revised Code. 25403

|  |       |
|--|-------|
| (4) "Prevention, retention, and contingency" means the           | 25404 |
| program established by Chapter 5108. of the Revised Code.        | 25405 |
| (5) "Public assistance expenditures" means expenditures          | 25406 |
| for all of the following:  | 25407 |
| (a) Ohio works first;  | 25408 |
| (b) County administration of Ohio works first;                   | 25409 |
| (c) Prevention, retention, and contingency;                      | 25410 |
| (d) County administration of prevention, retention, and          | 25411 |
| contingency;   | 25412 |
| (e) Disability financial assistance;                             | 25413 |
| (f) County administration of disability financial                | 25414 |
| assistance;  | 25415 |
| (g) County administration of the supplemental nutrition          | 25416 |
| assistance program;  | 25417 |
| (h) County administration of medicaid, excluding                 | 25418 |
| administrative expenditures for transportation services covered  | 25419 |
| by the medicaid program.   | 25420 |
| (6) "Title IV-A program" has the same meaning as in              | 25421 |
| section 5101.80 of the Revised Code.                             | 25422 |
| (B) Each board of county commissioners shall pay the             | 25423 |
| county share of public assistance expenditures in accordance     | 25424 |
| with section 5101.161 of the Revised Code. Except as provided in | 25425 |
| division (C) of this section, a county's share of public         | 25426 |
| assistance expenditures is the sum of all of the following for   | 25427 |
| state fiscal year 1998 and each state fiscal year thereafter:    | 25428 |
| (1) The amount that is twenty-five per cent of the               | 25429 |
| county's total expenditures for disability financial assistance  | 25430 |

and county administration of that program during the state 25431  
fiscal year ending in the previous calendar year that the 25432  
department of job and family services determines are allowable. 25433

(2) The amount that is ten per cent, or other percentage 25434  
determined under division (D) of this section, of the county's 25435  
total expenditures for county administration of the supplemental 25436  
nutrition assistance program and medicaid (excluding 25437  
administrative expenditures for transportation services covered 25438  
by the medicaid program) during the state fiscal year ending in 25439  
the previous calendar year that the department determines are 25440  
allowable, less the amount of federal reimbursement credited to 25441  
the county under division (E) of this section for the state 25442  
fiscal year ending in the previous calendar year; 25443

(3) A percentage of the actual amount of the county share 25444  
of program and administrative expenditures during federal fiscal 25445  
year 1994 for assistance and services, other than child care, 25446  
provided under Titles IV-A and IV-F of the "Social Security 25447  
Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as those titles 25448  
existed prior to the enactment of the "Personal Responsibility 25449  
and Work Opportunity Reconciliation Act of 1996," 110 Stat. 25450  
2105. The department of job and family services shall determine 25451  
the actual amount of the county share from expenditure reports 25452  
submitted to the United States department of health and human 25453  
services. The percentage shall be the percentage established in 25454  
rules adopted under division (F) of this section. 25455

(C) (1) If a county's share of public assistance 25456  
expenditures determined under division (B) of this section for a 25457  
state fiscal year exceeds one hundred five per cent of the 25458  
county's share for those expenditures for the immediately 25459  
preceding state fiscal year, the department of job and family 25460

services shall reduce the county's share for expenditures under 25461  
divisions (B) (1) and (2) of this section so that the total of 25462  
the county's share for expenditures under division (B) of this 25463  
section equals one hundred five per cent of the county's share 25464  
of those expenditures for the immediately preceding state fiscal 25465  
year. 25466

(2) A county's share of public assistance expenditures 25467  
determined under division (B) of this section may be increased 25468  
pursuant to section 5101.163 of the Revised Code and a sanction 25469  
under section 5101.24 of the Revised Code. An increase made 25470  
pursuant to section 5101.163 of the Revised Code may cause the 25471  
county's share to exceed the limit established by division (C) 25472  
(1) of this section. 25473

(D) (1) If the per capita tax duplicate of a county is less 25474  
than the per capita tax duplicate of the state as a whole and 25475  
division (D) (2) of this section does not apply to the county, 25476  
the percentage to be used for the purpose of division (B) (2) of 25477  
this section is the product of ten multiplied by a fraction of 25478  
which the numerator is the per capita tax duplicate of the 25479  
county and the denominator is the per capita tax duplicate of 25480  
the state as a whole. The department of job and family services 25481  
shall compute the per capita tax duplicate for the state and for 25482  
each county by dividing the tax duplicate for the most recent 25483  
available year by the current estimate of population prepared by 25484  
the development services agency. 25485

(2) If the percentage of families in a county with an 25486  
annual income of less than three thousand dollars is greater 25487  
than the percentage of such families in the state and division 25488  
(D) (1) of this section does not apply to the county, the 25489  
percentage to be used for the purpose of division (B) (2) of this 25490

section is the product of ten multiplied by a fraction of which 25491  
the numerator is the percentage of families in the state with an 25492  
annual income of less than three thousand dollars a year and the 25493  
denominator is the percentage of such families in the county. 25494  
The department of job and family services shall compute the 25495  
percentage of families with an annual income of less than three 25496  
thousand dollars for the state and for each county by 25497  
multiplying the most recent estimate of such families published 25498  
by the department of housing and development~~services agency~~, by 25499  
a fraction, the numerator of which is the estimate of average 25500  
annual personal income published by the bureau of economic 25501  
analysis of the United States department of commerce for the 25502  
year on which the census estimate is based and the denominator 25503  
of which is the most recent such estimate published by the 25504  
bureau. 25505

(3) If the per capita tax duplicate of a county is less 25506  
than the per capita tax duplicate of the state as a whole and 25507  
the percentage of families in the county with an annual income 25508  
of less than three thousand dollars is greater than the 25509  
percentage of such families in the state, the percentage to be 25510  
used for the purpose of division (B) (2) of this section shall be 25511  
determined as follows: 25512

(a) Multiply ten by the fraction determined under division 25513  
(D) (1) of this section; 25514

(b) Multiply the product determined under division (D) (3) 25515  
(a) of this section by the fraction determined under division 25516  
(D) (2) of this section. 25517

(4) The department of job and family services shall 25518  
determine, for each county, the percentage to be used for the 25519  
purpose of division (B) (2) of this section not later than the 25520

first day of July of the year preceding the state fiscal year 25521  
for which the percentage is used. 25522

(E) The department of job and family services shall credit 25523  
to a county the amount of federal reimbursement the department 25524  
receives from the United States departments of agriculture and 25525  
health and human services for the county's expenditures for 25526  
administration of the supplemental nutrition assistance program 25527  
and medicaid (excluding administrative expenditures for 25528  
transportation services covered by the medicaid program) that 25529  
the department determines are allowable administrative 25530  
expenditures. 25531

(F) (1) The director of job and family services shall adopt 25532  
rules in accordance with section 111.15 of the Revised Code to 25533  
establish all of the following: 25534

(a) The method the department is to use to change a 25535  
county's share of public assistance expenditures determined 25536  
under division (B) of this section as provided in division (C) 25537  
of this section; 25538

(b) The allocation methodology and formula the department 25539  
will use to determine the amount of funds to credit to a county 25540  
under this section; 25541

(c) The method the department will use to change the 25542  
payment of the county share of public assistance expenditures 25543  
from a calendar-year basis to a state fiscal year basis; 25544

(d) The percentage to be used for the purpose of division 25545  
(B) (3) of this section, which shall, except as provided in 25546  
section 5101.163 of the Revised Code, meet both of the following 25547  
requirements: 25548

(i) The percentage shall not be less than seventy-five per 25549



cent nor more than eighty-two per cent; 25550

(ii) The percentage shall not exceed the percentage that 25551  
the state's qualified state expenditures is of the state's 25552  
historic state expenditures as those terms are defined in 42 25553  
U.S.C. 609(a) (7). 25554

(e) Other procedures and requirements necessary to 25555  
implement this section. 25556

(2) The director of job and family services may amend the 25557  
rule adopted under division (F) (1) (d) of this section to modify 25558  
the percentage on determination that the amount the general 25559  
assembly appropriates for Title IV-A programs makes the 25560  
modification necessary. The rule shall be adopted and amended as 25561  
if an internal management rule and in consultation with the 25562  
director of budget and management. 25563

**Sec. 5104.30.** (A) The department of job and family 25564  
services is hereby designated as the state agency responsible 25565  
for administration and coordination of federal and state funding 25566  
for publicly funded child care in this state. Publicly funded 25567  
child care shall be provided to the following: 25568

(1) Recipients of transitional child care as provided 25569  
under section 5104.34 of the Revised Code; 25570

(2) Participants in the Ohio works first program 25571  
established under Chapter 5107. of the Revised Code; 25572

(3) Individuals who would be participating in the Ohio 25573  
works first program if not for a sanction under section 5107.16 25574  
of the Revised Code and who continue to participate in a work 25575  
activity, developmental activity, or alternative work activity 25576  
pursuant to an assignment under section 5107.42 of the Revised 25577  
Code; 25578

(4) A family receiving publicly funded child care on 25579  
October 1, 1997, until the family's income reaches one hundred 25580  
fifty per cent of the federal poverty line; 25581

(5) Subject to available funds, other individuals 25582  
determined eligible in accordance with rules adopted under 25583  
section 5104.38 of the Revised Code. 25584

The department shall apply to the United States department 25585  
of health and human services for authority to operate a 25586  
coordinated program for publicly funded child care, if the 25587  
director of job and family services determines that the 25588  
application is necessary. For purposes of this section, the 25589  
department of job and family services may enter into agreements 25590  
with other state agencies that are involved in regulation or 25591  
funding of child care. The department shall consider the special 25592  
needs of migrant workers when it administers and coordinates 25593  
publicly funded child care and shall develop appropriate 25594  
procedures for accommodating the needs of migrant workers for 25595  
publicly funded child care. 25596

(B) The department of job and family services shall 25597  
distribute state and federal funds for publicly funded child 25598  
care, including appropriations of state funds for publicly 25599  
funded child care and appropriations of federal funds available 25600  
under the child care block grant act, Title IV-A, and Title XX. 25601  
The department may use any state funds appropriated for publicly 25602  
funded child care as the state share required to match any 25603  
federal funds appropriated for publicly funded child care. 25604

(C) In the use of federal funds available under the child 25605  
care block grant act, all of the following apply: 25606

(1) The department may use the federal funds to hire staff 25607

to prepare any rules required under this chapter and to 25608  
administer and coordinate federal and state funding for publicly 25609  
funded child care. 25610

(2) Not more than five per cent of the aggregate amount of 25611  
the federal funds received for a fiscal year may be expended for 25612  
administrative costs. 25613

(3) The department shall allocate and use at least four 25614  
per cent of the federal funds for the following: 25615

(a) Activities designed to provide comprehensive consumer 25616  
education to parents and the public; 25617

(b) Activities that increase parental choice; 25618

(c) Activities, including child care resource and referral 25619  
services, designed to improve the quality, and increase the 25620  
supply, of child care; 25621

(d) Establishing the step up to quality program pursuant 25622  
to section 5104.29 of the Revised Code. 25623

(4) The department shall ensure that the federal funds 25624  
will be used only to supplement, and will not be used to 25625  
supplant, federal, state, and local funds available on the 25626  
effective date of the child care block grant act for publicly 25627  
funded child care and related programs. If authorized by rules 25628  
adopted by the department pursuant to section 5104.42 of the 25629  
Revised Code, county departments of job and family services may 25630  
purchase child care from funds obtained through any other means. 25631

(D) The department shall encourage the development of 25632  
suitable child care throughout the state, especially in areas 25633  
with high concentrations of recipients of public assistance and 25634  
families with low incomes. The department shall encourage the 25635

development of suitable child care designed to accommodate the 25636  
special needs of migrant workers. On request, the department, 25637  
through its employees or contracts with state or community child 25638  
care resource and referral service organizations, shall provide 25639  
consultation to groups and individuals interested in developing 25640  
child care. The department of job and family services may enter 25641  
into interagency agreements with the department of education and 25642  
workforce, the chancellor of higher education, the department of 25643  
housing and development, and other state agencies and entities 25644  
whenever the cooperative efforts of the other state agencies and 25645  
entities are necessary for the department of job and family 25646  
services to fulfill its duties and responsibilities under this 25647  
chapter. 25648

The department shall develop and maintain a registry of 25649  
persons providing child care. The director shall adopt rules in 25650  
accordance with Chapter 119. of the Revised Code establishing 25651  
procedures and requirements for the registry's administration. 25652

(E) (1) The director shall adopt rules in accordance with 25653  
Chapter 119. of the Revised Code establishing both of the 25654  
following: 25655

(a) Reimbursement rates for providers of publicly funded 25656  
child care not later than the first day of July in each odd- 25657  
numbered year; 25658

(b) A procedure for reimbursing and paying providers of 25659  
publicly funded child care. 25660

(2) In establishing reimbursement rates under division (E) 25661  
(1) (a) of this section, the director shall do all of the 25662  
following: 25663

(a) Use the information obtained in accordance with 45 25664

C.F.R. 98.45; 25665

(b) Establish an enhanced reimbursement rate for providers 25666  
who provide child care for caretaker parents who work 25667  
nontraditional hours; 25668

(c) With regard to the step up to quality program 25669  
established pursuant to section 5104.29 of the Revised Code, 25670  
establish enhanced reimbursement rates for child care providers 25671  
that participate in the program. 25672

(3) In establishing reimbursement rates under division (E) 25673  
(1) (a) of this section, the director may establish different 25674  
reimbursement rates based on any of the following: 25675

(a) Geographic location of the provider; 25676

(b) Type of care provided; 25677

(c) Age of the child served; 25678

(d) Special needs of the child served; 25679

(e) Whether the expanded hours of service are provided; 25680

(f) Whether weekend service is provided; 25681

(g) Whether the provider has exceeded the minimum 25682  
requirements of state statutes and rules governing child care; 25683

(h) Any other factors the director considers appropriate. 25684

**Sec. 5117.02.** (A) The director of housing and development 25685  
shall adopt rules, or amendments and rescissions of rules, 25686  
pursuant to section 4928.52 of the Revised Code, for the 25687  
administration of the Ohio energy credit program under sections 25688  
5117.01 to 5117.12 of the Revised Code. 25689

(B) As a means of efficiently administering the program, 25690

the director may extend, by as much as a total of thirty days, 25691  
any date specified in such sections for the performance of a 25692  
particular action by an individual or an officer. 25693

(C) (1) Except as provided in division (C) (2) of this 25694  
section, the director shall adopt, in accordance with divisions 25695  
(A), (B), (C), (D), (E), and (F) of section 119.03 and section 25696  
119.04 of the Revised Code, whatever rules, or amendments or 25697  
rescissions of rules are required by or are otherwise necessary 25698  
to implement sections 5117.01 to 5117.12 of the Revised Code. A 25699  
rule, amendment, or rescission adopted under this division is 25700  
not exempt from the hearing requirements of section 119.03 of 25701  
the Revised Code pursuant to division (H) of that section, or 25702  
subject to section 111.15 of the Revised Code. 25703

(2) If an emergency necessitates the immediate adoption of 25704  
a rule, or the immediate adoption of an amendment or rescission 25705  
of a rule that is required by or otherwise necessary to 25706  
implement sections 5117.01 to 5117.12 of the Revised Code, the 25707  
director immediately may adopt the emergency rule, amendment, or 25708  
rescission without complying with division (A), (B), (C), (D), 25709  
(E), or (F) of section 119.03 of the Revised Code so long as the 25710  
director states the reasons for the necessity in the emergency 25711  
rule, amendment, or rescission. The emergency rule, amendment, 25712  
or rescission is effective on the day the emergency rule, 25713  
amendment, or rescission, in final form and in compliance with 25714  
division (A) (2) of section 119.04 of the Revised Code, is filed 25715  
in electronic form with the secretary of state, the director of 25716  
the legislative service commission, and the joint committee on 25717  
agency rule review. If all filings are not completed on the same 25718  
day, the emergency rule, amendment, or rescission is effective 25719  
on the day on which the latest filing is completed. An emergency 25720  
rule, amendment, or rescission adopted under this division is 25721

not subject to section 111.15 or division (G) of section 119.03 25722  
of the Revised Code. An emergency rule, amendment, or rescission 25723  
adopted under this division continues in effect until amended or 25724  
rescinded by the director in accordance with division (C) (1) or 25725  
(2) of this section, except that the rescission of an emergency 25726  
rescission does not revive the rule rescinded. 25727

(D) Except where otherwise provided, each form, 25728  
application, notice, and the like used in fulfilling the 25729  
requirements of sections 5117.01 to 5117.12 of the Revised Code 25730  
shall be approved by the director. 25731

**Sec. 5117.03.** (A) (1) The director of housing and 25732  
development shall prescribe the form of the application for 25733  
assistance under the Ohio energy credit program. The application 25734  
shall be in the form of a signed statement, shall require no 25735  
more information than is necessary to establish an applicant's 25736  
eligibility under section 5117.07 of the Revised Code, and shall 25737  
be clear and concise in its format, requirements, and 25738  
instructions. The form shall request the following information: 25739

(a) The name and address of the applicant; 25740

(b) The type of energy or commodity that is the source of 25741  
the heat produced by the primary heating system in the residence 25742  
of the applicant; 25743

(c) The name of the energy company or energy dealer that 25744  
supplies the energy or commodity that is the source of the heat 25745  
produced by the primary heating system in the residence of the 25746  
applicant and, if the applicant receives the applicant's energy 25747  
from a company, the applicant's account number; 25748

(d) The applicant's total income or current total income; 25749

(e) In the case of an application based upon physical 25750

disability, a certification signed by a physician, in the case 25751  
of an application based upon mental disability, a certification 25752  
signed by a physician or psychologist, or in the case of either 25753  
such disability, a certification from a state or federal agency 25754  
having the function of so classifying persons; 25755

(f) The age of the applicant; 25756

(g) Any other information required to make eligibility 25757  
determinations under section 5117.07 of the Revised Code. 25758

Each form shall contain a statement that signing such 25759  
application constitutes a delegation of authority by the 25760  
applicant to the director to examine any financial records that 25761  
relate to income earned by the applicant as stated on the 25762  
application for the purpose of determining eligibility under 25763  
section 5117.07 of the Revised Code and possible violation of 25764  
division (B) of section 5117.11 of the Revised Code. 25765

(2) The director shall mail or otherwise provide an 25766  
application form to each person requesting such form. 25767

(B) (1) The director shall devise and prescribe an 25768  
application renewal form on which the head of household may 25769  
indicate by check mark that the head of household received a 25770  
credit or payment for the preceding heating season. Application 25771  
renewal forms shall seek from persons applying on such basis a 25772  
certification by the applicant attesting to the applicant's 25773  
permanent and total disability and the name of a physician, 25774  
psychologist, or government agency willing to provide an 25775  
additional certification if so requested under division (D) of 25776  
section 5117.07 of the Revised Code. Such forms shall also 25777  
include such other information as the director requires and 25778  
shall be clear and concise in format, requirements, and 25779



instructions. 25780

(2) On or before the fifteenth day of June, the director 25781  
shall mail or otherwise provide an application renewal form to 25782  
each head of household who received a credit or payment during 25783  
the preceding heating season. 25784

(3) Application renewal forms shall be reviewed and 25785  
disposed of in the same manner provided for application forms in 25786  
section 5117.07 of the Revised Code. 25787

(C) Applications and application renewal forms shall be 25788  
returned to the director no later than the first day of 25789  
September. If an applicant is determined eligible for a credit 25790  
under division (A) (1) of section 5117.07 of the Revised Code and 25791  
the applicant's account number is not provided on the 25792  
application form pursuant to division (A) (1) (c) of this section, 25793  
the director shall make a good faith effort to acquire such 25794  
number before certifying the applicant's eligibility to an 25795  
energy company under section 5117.08 of the Revised Code. The 25796  
director may request an energy company to assist in efforts to 25797  
acquire an applicant's account number and, if so requested, a 25798  
company shall cooperate in such efforts. 25799

**Sec. 5117.04.** (A) Every energy company and energy dealer, 25800  
at least once during June, and once during August, shall begin 25801  
to distribute to each of its residential heating customers a 25802  
plain and clear notice, printed in ten-point type on a sheet or 25803  
card on which no other words appear on either the front or back, 25804  
that states the right of qualified residential customers to 25805  
receive a credit or payment under the Ohio energy credit program 25806  
and that explains in detail, in a fashion reasonably calculated 25807  
to inform, the relevant mechanisms established under sections 25808  
5117.01 to 5117.12 of the Revised Code to effectuate that right. 25809

The notice shall also contain, in ten-point boldface type, the following statement: "The right of eligible customers to receive a credit against utility bills or a payment for energy bills is provided in legislation (House Bill 657) passed by the General Assembly and signed by the Governor."

(B) The director of housing and development shall cause to be printed notices of the type specified in division (A) of this section and application forms in sufficient quantity for distribution. The director shall maintain a system for distributing application forms to appropriate public locations. The distribution system shall be designed to make application forms available to as many qualified persons as possible.

(C) The director shall arrange for the establishment of a toll-free telephone number to enable all persons in this state to make inquiries and obtain information concerning the credits or payments.

**Sec. 5117.05.** The director of housing and development, in consultation with the commission on Hispanic-Latino affairs, shall develop an outreach program, including Spanish-speaking communication formats, designed to make all Spanish-speaking persons who meet the eligibility requirements for participation in the Ohio energy credit program aware of the nature and extent of available benefits and methods for acquiring and making applications. The program shall include assistance to such persons in making applications. The director shall implement the program in cooperation with the commission.

**Sec. 5117.07.** (A) On or before the first day of October, the director of housing and development shall review all applications submitted under division (C) of section 5117.03 of the Revised Code and shall determine the eligibility of each

applicant to receive a credit or payment. The total income and 25840  
current total income amounts set forth in division (A) of this 25841  
section are subject to adjustment under section 5117.071 of the 25842  
Revised Code. 25843

(1) An applicant is eligible for a credit of thirty per 25844  
cent if the applicant is a head of household, has a total income 25845  
of five thousand dollars or less or a current total income of 25846  
two thousand five hundred dollars or less, owns and occupies or 25847  
rents and occupies a household receiving the source of energy 25848  
for its primary heating system from an energy company and such 25849  
energy is separately metered, and is either of the following: 25850

(a) Sixty-five years of age or older; 25851

(b) Permanently and totally disabled. 25852

(2) An applicant is eligible for a credit of twenty-five 25853  
per cent if the applicant is a head of household, has a total 25854  
income of more than five thousand dollars but not more than nine 25855  
thousand dollars or a current total income of more than two 25856  
thousand five hundred dollars but not more than four thousand 25857  
five hundred dollars, is sixty-five years of age or older or 25858  
permanently and totally disabled, and owns and occupies or rents 25859  
and occupies a household receiving the source of energy for its 25860  
primary heating system from an energy company and such energy is 25861  
separately metered. 25862

(3) An applicant is eligible for a payment if either of 25863  
the following applies to the applicant: 25864

(a) The applicant would be eligible for the credit under 25865  
division (A)(1) or (2) of this section but for the fact that the 25866  
source of energy for the primary heating system of the 25867  
applicant's household is not separately metered; 25868

(b) The applicant is a head of household, has a total 25869  
income of no more than nine thousand dollars or a current total 25870  
income of no more than four thousand five hundred dollars, is 25871  
sixty-five years of age or older or permanently and totally 25872  
disabled, and owns and occupies or rents and occupies a 25873  
household receiving the source of energy for its primary heating 25874  
system from an energy dealer. 25875

(4) In the case of a multiple unit dwelling for which 25876  
separate metering for the source of energy for its primary 25877  
heating system is not provided, more than one applicant 25878  
occupying such dwelling may be determined eligible for a payment 25879  
under division (A) (3) (a) of this section. 25880

(B) Notwithstanding division (A) of this section: 25881

(1) No head of household who resides in public housing or 25882  
receives a rent subsidy from a government agency is eligible for 25883  
a credit or payment unless the person's rent subsidy does not 25884  
reflect the costs of that person's household receiving the 25885  
source of energy for its primary heating system; 25886

(2) A resident of a nursing home, hospital, or other 25887  
extended health care facility is not eligible for a credit or 25888  
payment for the costs of providing the source of energy for the 25889  
primary heating system of the facility. 25890

(C) The director shall establish a procedure whereby the 25891  
~~director-commissioner~~ can verify total income and current total 25892  
income for the calendar year in which an applicant is determined 25893  
eligible for a payment or credit. If a person receives a credit 25894  
or payment that the person is ineligible to receive under 25895  
division (A) of this section as determined by the director, that 25896  
person shall refund to the director the credit or payment, or 25897

excess portion of a credit or payment, that person received. The 25898  
sum refunded shall be deposited in the state treasury to the 25899  
credit of the universal service fund created in section 4928.51 25900  
of the Revised Code. 25901

(D) The director may request an additional certification 25902  
of permanent and total disability for any applicant claiming 25903  
such status on an application renewal form submitted under 25904  
section 5117.03 of the Revised Code. Such certification shall be 25905  
requested from the person or agency named on the form pursuant 25906  
to division (B) (1) of section 5117.03 of the Revised Code. If 25907  
such additional certification is refused due to a conclusion by 25908  
the person or agency that the applicant is not permanently and 25909  
totally disabled, the director shall determine the applicant 25910  
ineligible for any credit or payment. If such additional 25911  
certification is unavailable or refused for any other reason, 25912  
the director may determine the applicant to be eligible for a 25913  
credit or payment provided the director~~-commissioner~~ has good 25914  
cause to believe the applicant is permanently and totally 25915  
disabled. 25916

(E) On or before the first day of October, the director 25917  
shall notify each applicant of the disposition of the 25918  
applicant's application under divisions (A) and (B) of this 25919  
section. At the same time, the director~~-tax commissioner~~ shall 25920  
notify the applicant, regardless of whether the applicant's 25921  
application is approved or disapproved, that the applicant may 25922  
be eligible to participate in a state or federal weatherization 25923  
program and should contact the applicant's community action 25924  
agency for further information. If an application is 25925  
disapproved, the applicant may appeal to the director for a 25926  
hearing on the matter. A notice of disapproval shall include a 25927  
detailed explanation of the applicant's right of appeal under 25928

this chapter. Any such appeal shall be on an appeal form 25929  
prescribed by the director and shall be filed with the director 25930  
within twenty days of the receipt of the notice of disapproval. 25931

**Sec. 5117.071.** (A) In September of each year, the ~~tax-~~ 25932  
~~commissioner~~ director of housing and development shall adjust 25933  
the total income amounts set forth in sections 5117.07 and 25934  
5117.09 of the Revised Code to be used for applications 25935  
submitted for the heating season commencing in the next calendar 25936  
year, by completing the following steps: 25937

(1) Determine the percentage increase in the gross 25938  
domestic product deflator determined by the bureau of economic 25939  
analysis of the United States department of commerce for the 25940  
preceding year; 25941

(2) Multiply that percentage increase by each of the total 25942  
income amounts for the preceding year; 25943

(3) Add the resulting products to each of the total income 25944  
amounts for the preceding year; 25945

(4) Round the resulting sums upward to the nearest 25946  
multiple of ten dollars. 25947

The ~~commissioner~~ director shall not make the adjustment in 25948  
any year in which the amounts resulting from the adjustment 25949  
would be less than the total income amounts for the preceding 25950  
year. 25951

(B) In September of each year, the ~~tax-commissioner~~ 25952  
director of housing and development also shall adjust the 25953  
current total income amounts set forth in sections 5117.07 and 25954  
5117.09 of the Revised Code. For any year, the current total 25955  
income amounts shall equal one-half of the respective total 25956  
income amounts set forth in those sections and adjusted under 25957

division (A) of this section for that year. 25958

~~(C) Each year, the tax commissioner shall provide both the 25959  
adjusted total income amounts referred to in division (A) of 25960  
this section and the current total income amounts referred to in 25961  
division (B) of this section to the director of development. 25962~~

~~(D)~~ The director of housing and development and each 25963  
energy company and energy dealer shall use the adjusted total 25964  
income amounts and the current total income amounts determined 25965  
under divisions (A) and (B) of this section in performing their 25966  
duties under sections 5117.01 to 5117.12 of the Revised Code. 25967

**Sec. 5117.08.** (A) (1) On or before the tenth day of 25968  
October, the director of housing and development shall begin to 25969  
prepare and certify to each energy company that provides energy 25970  
for home heating a list containing the name and account number 25971  
of each head of household determined eligible for a credit under 25972  
divisions (A) and (B) of section 5117.07 of the Revised Code and 25973  
served by that company, the address of the household, and the 25974  
source of the heat produced by the primary heating system in the 25975  
residence of the applicant. The director, for good cause, may 25976  
certify addenda to such lists, containing the names of any heads 25977  
of household whose names were not included in the earlier lists 25978  
but who, except for failure to meet the deadline requirements of 25979  
sections 5117.01 to 5117.12 of the Revised Code, would have been 25980  
certified in the original lists. Within thirty days of receipt 25981  
of such list and in any month for which a credit is required 25982  
under sections 5117.01 to 5117.12 of the Revised Code, the 25983  
company may verify that each head of household on the director's 25984  
list receives energy for home heating at the household address 25985  
appearing on such list or that the source of heat produced by 25986  
the primary heating system in the household is energy supplied 25987

by the company. If the company determines that a person listed 25988  
does not receive energy for home heating at such address or that 25989  
the source of the heat produced by the primary heating system in 25990  
the residence of such person is not supplied by the company, it 25991  
shall notify the director of such fact and may refuse to grant 25992  
the credit provided under division (A) of section 5117.07 of the 25993  
Revised Code. Upon receipt of such notice, the director shall 25994  
determine the accuracy of the determination of the company and, 25995  
should the director not concur with the company, shall order the 25996  
company to provide the credit. 25997

(2) The good faith exercise by any company of any power of 25998  
refusal granted under division (A) (1) of this section does not 25999  
subject such company to any penalty or liability provided under 26000  
division (A) of section 5117.11 of the Revised Code. 26001

(B) (1) Nothing in sections 5117.01 to 5117.12 of the 26002  
Revised Code shall be construed to abridge the right of an 26003  
otherwise eligible applicant to receive a credit or payment 26004  
because the applicant has either changed the location of the 26005  
applicant's residence or the nature of the occupancy of the 26006  
applicant's residence, as between a tenant or an owner, at a 26007  
time that could, as a result of the operation of sections 26008  
5117.01 to 5117.12 of the Revised Code, cause the applicant to 26009  
be disqualified from receiving, or continuing to receive, the 26010  
credit or payment. 26011

(2) Where a person who submits a form or information 26012  
required under sections 5117.01 to 5117.10 of the Revised Code 26013  
does so in a timely fashion but, because of the occurrence of an 26014  
error or omission with respect to such form or information, 26015  
either on the person's own part or on the part of those persons 26016  
required by sections 5117.01 to 5117.12 of the Revised Code to 26017



take administrative, executive, or ministerial action regarding 26018  
such form or information, the certification of eligibility by 26019  
the director to an energy company takes place after the 26020  
expiration of a deadline imposed under sections 5117.01 to 26021  
5117.12 of the Revised Code, the company shall grant the credit 26022  
within thirty days and, whenever appropriate, grant the credit 26023  
on a retroactive basis. 26024

(3) The director shall adopt a rule ensuring that the 26025  
requirements of divisions (B) (1) and (2) of this section are 26026  
effectuated. 26027

**Sec. 5117.09.** (A) (1) With respect to each of its 26028  
residential customers, every energy company shall, after receipt 26029  
of a certification list provided under division (A) of section 26030  
5117.08 of the Revised Code, cause the granting of a credit in 26031  
accordance with this section against the monthly billing of each 26032  
household appearing on the list except as provided in division 26033  
(A) of section 5117.08 of the Revised Code. In the case of an 26034  
applicant who has a total income of five thousand dollars or 26035  
less or a current total income of two thousand five hundred 26036  
dollars or less, the credit shall amount to thirty per cent of 26037  
the current monthly bill rendered to such household by the 26038  
company for the billing months of December, January, February, 26039  
March, and April following the receipt of a list on which the 26040  
household appears. In the case of an applicant who has a total 26041  
income of more than five thousand dollars but not more than nine 26042  
thousand dollars or a current total income of more than two 26043  
thousand five hundred dollars but not more than four thousand 26044  
five hundred dollars, the credit shall amount to twenty-five per 26045  
cent of the current monthly bill rendered to such household by 26046  
the company for the billing months of December, January, 26047  
February, March, and April following the receipt of a list on 26048

which the household appears. If purchased power costs are 26049  
incurred by an energy company during the billing month for which 26050  
a credit is provided under this division, the credit shall also 26051  
be applied to such costs, whether or not the costs are charged 26052  
to a current monthly bill for such months. 26053

(2) The total income and current total income amounts set 26054  
forth in division (A)(1) of this section are subject to 26055  
adjustment under section 5117.071 of the Revised Code. 26056

(B) Every energy company shall read the meter of each of 26057  
its qualified residential customers who may receive a credit 26058  
under division (A) of this section at least one time for the 26059  
service period of November and at least one time in the service 26060  
period for the current monthly bill rendered for the billing 26061  
month of April. In the event a company is unable to read a meter 26062  
because of failure to gain access after a good faith effort or 26063  
because a certification list was supplied to the utility fewer 26064  
than thirty days prior to the normal date of meter reading, the 26065  
company may render a calculated bill. In such instances, the 26066  
company shall make an adjustment to the amount of the credit 26067  
granted to the customer based upon the next actual reading of 26068  
the meter if the reading shows the previous calculation to have 26069  
been in error and set forth the amount of such adjustments in 26070  
the report required to be filed with the director of housing and 26071  
development under division (D) of this section. 26072

(C) On each billing that is subject to a credit under 26073  
division (A) of this section, there shall appear in ten-point 26074  
type both the amount of the credit and to the left of such 26075  
amount "Ohio Energy Credit." 26076

(D) On or before the fifteenth day of each month following 26077  
one in which credits were provided under division (A) of this 26078

section, each energy company shall, on a form prescribed by the 26079  
director and requesting information that the director 26080  
~~commissioner~~ determines is necessary for the purpose of 26081  
verifying the propriety of the payment of credits, certify to 26082  
the director the total amount of all credits it granted pursuant 26083  
to division (A) of this section during the preceding month. Not 26084  
later than thirty days after receipt of such certification, the 26085  
director shall pay the company the amount certified. If the 26086  
director determines that a company previously received amounts 26087  
greater than the amounts of credits properly granted, such 26088  
company, upon notice from the director, shall reimburse the 26089  
director in the amount of the overpayments. Such reimbursements 26090  
shall be deposited in the general revenue fund. 26091

(E) (1) Any energy company that purposely fails to grant 26092  
the credit provided under division (A) of this section is liable 26093  
to each person entitled to the credit and certified to the 26094  
company by the director pursuant to division (A) of section 26095  
5117.08 of the Revised Code in treble the amount of the total 26096  
credit not granted. The consumers' counsel, on behalf of any 26097  
person or persons not granted the credit, may bring an action to 26098  
recover such treble damages in the court of common pleas of the 26099  
county in which is located the office of the company nearest the 26100  
household of any such person or persons. The consumers' counsel 26101  
also, on behalf of any persons not granted the credit, may bring 26102  
a class action to recover such treble damages in the court of 26103  
common pleas of any county in which is located an office of the 26104  
company and, if feasible, in which is located a significant 26105  
number of members of the class. Any treble damage recovery under 26106  
this division does not, in any manner, diminish any other 26107  
liability provided under sections 5117.01 to 5117.12 of the 26108  
Revised Code. Clerical errors shall not be considered an offense 26109

or incur liability under this division. 26110

(2) An action shall be brought by the consumers' counsel 26111  
under division (E) (1) of this section only after the consumers' 26112  
counsel has made a good faith attempt to dispose of the claim by 26113  
settlement, including a good faith request for only such 26114  
information in the possession of an energy company as is needed 26115  
to determine the existence or extent of such a right of action. 26116

(3) Nothing in division (E) (1) of this section shall be 26117  
construed to prevent persons acting without the assistance of 26118  
the consumers' counsel from bringing an action or class action 26119  
under such division. 26120

**Sec. 5117.10.** (A) On or before the fifteenth day of 26121  
January, the director of housing and development services shall 26122  
pay each applicant determined eligible for a payment under 26123  
divisions (A) and (B) of section 5117.07 of the Revised Code one 26124  
hundred twenty-five dollars. 26125

(B) The director may withhold from any payment to which a 26126  
person would otherwise be entitled under division (A) of this 26127  
section any amount that the director determines was erroneously 26128  
received by such person in a preceding year under this or the 26129  
program established under Am. Sub. H.B. 230, as amended by Am. 26130  
H.B. 937, Am. Sub. H.B. 1073, Am. Sub. S.B. 493, and Am. Sub. 26131  
S.B. 523 of the 112th general assembly, provided the director 26132  
has employed all other legal methods reasonably available to 26133  
obtain reimbursement for the erroneous payment or credit prior 26134  
to the commencement of the current program year. 26135

(C) Payments made under this section and credits granted 26136  
under section 5117.09 of the Revised Code shall not be 26137  
considered income for the purpose of determining eligibility or 26138

the level of benefits or assistance under section 329.042 or 26139  
Chapter 5107. of the Revised Code; the medicaid program; 26140  
supplemental security income payments under Title XVI of the 26141  
"Social Security Act," 49 Stat. 620 (1935), 42 U.S.C. 301, as 26142  
amended; or any other program under which eligibility or the 26143  
level of benefits or assistance is based upon need measured by 26144  
income. 26145

**Sec. 5117.12.** (A) On or before the thirty-first day of 26146  
August of each year, each energy company shall file a written 26147  
report with the director of housing and development regarding 26148  
the impact, if any, of the requirements of division (E) of 26149  
section 5117.11 of the Revised Code on the number of 26150  
uncollectible and past due residential accounts for the twelve- 26151  
month period ending on the preceding thirty-first day of July. 26152  
The report shall include such information as is prescribed by 26153  
the director. The information shall be based on actual reviews 26154  
of residential customer accounts and shall be presented in 26155  
verifiable form. The director may consult with the public 26156  
utilities commission and the consumers' counsel in prescribing 26157  
the contents of such reports and complying with the requirements 26158  
of division (C) (4) of this section. 26159

(B) Before the thirty-first day of January of each year, 26160  
the director shall prepare a written report including a final 26161  
review of the Ohio energy credit program for which applications 26162  
were required to be mailed or provided by the fifteenth day of 26163  
June of the second preceding calendar year pursuant to section 26164  
5117.03 of the Revised Code and an interim review of the program 26165  
for which applications were required to be mailed or provided by 26166  
the fifteenth day of June of the preceding calendar year under 26167  
such section. On or before the thirty-first day of January of 26168  
each year, the director shall provide written copies of such 26169

report to the speaker of the house of representatives, president 26170  
of the senate, minority leaders of the house of representatives 26171  
and senate, chairpersons of the house finance and appropriations 26172  
committee and senate finance committee, chairpersons of the 26173  
committees of the house of representatives and senate 26174  
customarily entrusted with matters concerning public utilities, 26175  
clerk of the house of representatives, and clerk of the senate. 26176

(C) Each report prepared under division (B) of this 26177  
section shall include a review of: 26178

(1) Program costs; 26179

(2) The number of persons receiving credits or payments 26180  
under the program; 26181

(3) Progress in the implementation of any changes in the 26182  
program made by the general assembly within the period covered 26183  
by the report; 26184

(4) The impact, if any, of the requirements of division 26185  
(E) of section 5117.11 of the Revised Code on the number of 26186  
uncollectible and past due residential accounts of energy 26187  
companies for the twelve-month period ending on the preceding 26188  
thirty-first day of July; 26189

(5) The impact of any federal energy assistance programs 26190  
available to the same groups of people as are eligible for the 26191  
energy credit program under sections 5117.01 to 5117.12 of the 26192  
Revised Code, together with any recommendations on modifications 26193  
that may, because of the federal programs, be needed in the 26194  
energy credit program; 26195

(6) Any suggestions for improving the program; 26196

(7) Any other matters considered appropriate by the 26197

director. 26198

(D) The director shall consult with the auditor of state, 26199  
energy companies, energy dealers, department of aging, and 26200  
commission on Hispanic-Latino affairs in the preparation of any 26201  
report under this section. The director may require information 26202  
from such agencies for the purpose of preparing such report. 26203

**Sec. 5117.22.** All petroleum violation escrow funds 26204  
received by this state from the federal government shall be 26205  
deposited in the state treasury to the credit of the energy oil 26206  
overcharge fund, which is hereby created. The fund shall be used 26207  
by the department of housing and development ~~services agency~~ for 26208  
energy conservation and assistance programs approved by the 26209  
United States department of energy. All investment earnings of 26210  
the fund shall be credited to the fund. 26211

**Sec. 5119.34.** (A) As used in this section and sections 26212  
5119.341 to 5119.343 of the Revised Code: 26213

(1) "Accommodations" means housing, daily meal 26214  
preparation, laundry, housekeeping, arranging for 26215  
transportation, social and recreational activities, maintenance, 26216  
security, and other services that do not constitute personal 26217  
care services or skilled nursing care. 26218

(2) "ADAMHS board" means a board of alcohol, drug 26219  
addiction, and mental health services. 26220

(3) "Adult" means a person who is eighteen years of age or 26221  
older, other than a person described in division (A) (4) of this 26222  
section who is between eighteen and twenty-one years of age. 26223

(4) "Child" means a person who is under eighteen years of 26224  
age or a person with a mental disability who is under twenty-one 26225  
years of age. 26226

(5) "Community mental health services provider" means a 26227  
community mental health services provider as defined in section 26228  
5119.01 of the Revised Code. 26229

(6) "Community mental health services" means any mental 26230  
health services certified by the department pursuant to section 26231  
5119.36 of the Revised Code. 26232

(7) "Operator" means the person or persons, firm, 26233  
partnership, agency, governing body, association, corporation, 26234  
or other entity that is responsible for the administration and 26235  
management of a residential facility and that is the applicant 26236  
for a residential facility license. 26237

(8) "Personal care services" means services including, but 26238  
not limited to, the following: 26239

(a) Assisting residents with activities of daily living; 26240

(b) Assisting residents with self-administration of 26241  
medication in accordance with rules adopted under this section; 26242

(c) Preparing special diets, other than complex 26243  
therapeutic diets, for residents pursuant to the instructions of 26244  
a physician or a licensed dietitian, in accordance with rules 26245  
adopted under this section. 26246

"Personal care services" does not include "skilled nursing 26247  
care" as defined in section 3721.01 of the Revised Code. A 26248  
facility need not provide more than one of the services listed 26249  
in division (A) (8) of this section to be considered to be 26250  
providing personal care services. 26251

(9) "Room and board" means the provision of sleeping and 26252  
living space, meals or meal preparation, laundry services, 26253  
housekeeping services, or any combination thereof. 26254



- (10) "Residential state supplement program" means the program established under section 5119.41 of the Revised Code. 26255  
26256
- (11) "Supervision" means any of the following: 26257
- (a) Observing a resident to ensure the resident's health, safety, and welfare while the resident engages in activities of daily living or other activities; 26258  
26259  
26260
- (b) Reminding a resident to perform or complete an activity, such as reminding a resident to engage in personal hygiene or other self-care activities; 26261  
26262  
26263
- (c) Assisting a resident in making or keeping an appointment. 26264  
26265
- (12) "Unrelated" means that a resident is not related to the owner or operator of a residential facility or to the owner's or operator's spouse as a parent, grandparent, child, stepchild, grandchild, brother, sister, niece, nephew, aunt, or uncle, or as the child of an aunt or uncle. 26266  
26267  
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- (B) (1) A "residential facility" is a publicly or privately operated home or facility that falls into one of the following categories: 26271  
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26273
- (a) Class one facilities provide accommodations, supervision, personal care services, and mental health services for one or more unrelated adults with mental illness or one or more unrelated children or adolescents with severe emotional disturbances; 26274  
26275  
26276  
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26278
- (b) Class two facilities provide accommodations, supervision, and personal care services to any of the following: 26279  
26280
- (i) One or two unrelated persons with mental illness; 26281

|   |       |
|---|-------|
| (ii) One or two unrelated adults who are receiving                      | 26282 |
| payments under the residential state supplement program;                | 26283 |
| (iii) Three to sixteen unrelated adults.                                | 26284 |
| (c) Class three facilities provide room and board for five              | 26285 |
| or more unrelated adults with mental illness.                           | 26286 |
| (2) "Residential facility" does not include any of the                  | 26287 |
| following:  | 26288 |
| (a) A hospital subject to licensure under section 5119.33               | 26289 |
| of the Revised Code or an institution maintained, operated,             | 26290 |
| managed, and governed by the department of mental health and            | 26291 |
| addiction services for the hospitalization of persons with              | 26292 |
| mental illnesses pursuant to section 5119.14 of the Revised             | 26293 |
| Code;   | 26294 |
| (b) A residential facility licensed under section 5123.19               | 26295 |
| of the Revised Code or otherwise regulated by the department of         | 26296 |
| developmental disabilities;   | 26297 |
| (c) An institution or association subject to certification              | 26298 |
| under section 5103.03 of the Revised Code;                              | 26299 |
| (d) A facility operated by a hospice care program licensed              | 26300 |
| under section 3712.04 of the Revised Code that is used                  | 26301 |
| exclusively for care of hospice patients;                               | 26302 |
| (e) A nursing home, residential care facility, or home for              | 26303 |
| the aging as defined in section 3721.02 of the Revised Code;            | 26304 |
| (f) A facility licensed under section 5119.37 of the                    | 26305 |
| Revised Code to operate an opioid treatment program;                    | 26306 |
| (g) Any facility that receives funding for operating costs              | 26307 |
| from the department of <u>housing and</u> development under any program | 26308 |

established to provide emergency shelter housing or transitional housing for the homeless; 26309  
26310

(h) A terminal care facility for the homeless that has entered into an agreement with a hospice care program under section 3712.07 of the Revised Code; 26311  
26312  
26313

(i) A facility approved by the veterans administration under section 104(a) of the "Veterans Health Care Amendments of 1983," 97 Stat. 993, 38 U.S.C. 630, as amended, and used exclusively for the placement and care of veterans; 26314  
26315  
26316  
26317

(j) The residence of a relative or guardian of a person with mental illness. 26318  
26319

(C) Nothing in division (B) of this section shall be construed to permit personal care services to be imposed on a resident who is capable of performing the activity in question without assistance. 26320  
26321  
26322  
26323

(D) Except in the case of a residential facility described in division (B)(1)(a) of this section, members of the staff of a residential facility shall not administer medication to the facility's residents, but may do any of the following: 26324  
26325  
26326  
26327

(1) Remind a resident when to take medication and watch to ensure that the resident follows the directions on the container; 26328  
26329  
26330

(2) Assist a resident in the self-administration of medication by taking the medication from the locked area where it is stored, in accordance with rules adopted pursuant to this section, and handing it to the resident. If the resident is physically unable to open the container, a staff member may open the container for the resident. 26331  
26332  
26333  
26334  
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(3) Assist a resident who is physically impaired but 26337  
mentally alert, such as a resident with arthritis, cerebral 26338  
palsy, or Parkinson's disease, in removing oral or topical 26339  
medication from containers and in consuming or applying the 26340  
medication, upon request by or with the consent of the resident. 26341  
If a resident is physically unable to place a dose of medicine 26342  
to the resident's mouth without spilling it, a staff member may 26343  
place the dose in a container and place the container to the 26344  
mouth of the resident. 26345

(E) A person operating or seeking to operate a residential 26346  
facility shall apply for licensure of the facility to the 26347  
department of mental health and addiction services. The 26348  
application shall be submitted by the operator. When applying 26349  
for the license, the applicant shall pay to the department the 26350  
application fee specified in rules adopted under division (N) of 26351  
this section. The fee is nonrefundable. 26352

The department shall send a copy of an application to the 26353  
ADAMHS board serving the county in which the person operates or 26354  
seeks to operate the facility. The ADAMHS board shall review the 26355  
application and provide to the department any information about 26356  
the applicant or the facility that the board would like the 26357  
department to consider in reviewing the application. 26358

(F) The department of mental health and addiction services 26359  
shall inspect and license the operation of residential 26360  
facilities. The department may issue a license to operate a 26361  
residential facility only if all of the following are the case: 26362

(1) The department is satisfied, after investigation, that 26363  
the facility is managed and operated by qualified persons and is 26364  
adequately staffed and equipped to operate. 26365

(2) The department has not been notified under section 26366  
5119.343 of the Revised Code or is not otherwise aware that the 26367  
residential facility or any owner, operator, or manager of the 26368  
residential facility has been the subject of an adverse action, 26369  
as defined in that section, taken during the three-year period 26370  
immediately preceding the date of application. 26371

(3) The department has not been notified or is not 26372  
otherwise aware that the residential facility or any owner, 26373  
operator, or manager of the facility has been the subject of an 26374  
adverse action, as defined in that section, taken at any time 26375  
based on an act or omission that violated the right of a 26376  
residential facility resident to be free from abuse, neglect, or 26377  
exploitation. 26378

The department may issue full, probationary, and interim 26379  
licenses. A full license shall expire up to three years after 26380  
the date of issuance, a probationary license shall expire in a 26381  
shorter period of time as specified in rules adopted by the 26382  
director of mental health and addiction services under division 26383  
(N) of this section, and an interim license shall expire ninety 26384  
days after the date of issuance. A license may be renewed in 26385  
accordance with rules adopted by the director under division (N) 26386  
of this section. The renewal application shall be submitted by 26387  
the operator. When applying for renewal of a license, the 26388  
applicant shall pay to the department the renewal fee specified 26389  
in rules adopted under division (N) of this section. The fee is 26390  
nonrefundable. 26391

(G) (1) If the department finds any of the following with 26392  
respect to a residential facility, the department may issue an 26393  
order suspending the admission of residents to the facility, 26394  
refuse to issue or renew a license for the facility, or revoke 26395

the facility's license: 26396

(a) The facility is not in compliance with rules adopted 26397  
by the director pursuant to division (N) of this section; 26398

(b) Any facility operated by the applicant or licensee has 26399  
been cited for a pattern of serious noncompliance or repeated 26400  
violations of statutes or rules during the period of current or 26401  
previous licenses; 26402

(c) The applicant or licensee submits false or misleading 26403  
information as part of a license application, renewal, or 26404  
investigation. 26405

(2) Proceedings initiated to deny applications for full or 26406  
probationary licenses, to refuse to renew full or probationary 26407  
licenses, or to revoke full or probationary licenses are 26408  
governed by Chapter 119. of the Revised Code. If an order has 26409  
been issued suspending the admission of residents to the 26410  
facility, the order remains in effect during the pendency of 26411  
those proceedings. 26412

Proceedings initiated to suspend the admission of 26413  
residents to a facility are governed by Chapter 119. of the 26414  
Revised Code, except as provided in division (H) of this 26415  
section. 26416

(3) In a proceeding initiated to suspend the admission of 26417  
residents to a facility, to deny an application for a full or 26418  
probationary license, to refuse to renew a full or probationary 26419  
license, or to revoke a full or probationary license, the 26420  
department may order the suspension, denial, refusal, or 26421  
revocation regardless of whether some or all of the deficiencies 26422  
that prompted the proceedings have been corrected at the time of 26423  
the hearing. 26424

(4) When the department issues an order suspending the admission of residents to a facility, denies an application for a full or probationary license, refuses to renew a full or probationary license, or revokes a full or probationary license, the department shall not grant an opportunity for submitting a plan of correction.

(H) (1) If a suspension of admissions of residents to a facility is proposed because the director has determined that the licensee has demonstrated a pattern of serious noncompliance or that a violation creates a substantial risk to the health and safety of residents, the director may issue an order imposing the suspension of admissions before providing an opportunity for an adjudication under Chapter 119. of the Revised Code. The director shall lift the order for the suspension of admissions if the director determines that the violation that formed the basis for the order has been corrected.

(2) Appeals from proceedings initiated to order the suspension of admissions to a facility shall be conducted in accordance with Chapter 119. of the Revised Code, unless the order was issued before providing an opportunity for an adjudication, in which case all of the following apply:

(a) The licensee may request a hearing not later than ten days after being served in accordance with sections 119.05 and 119.07 of the Revised Code.

(b) If a timely request for a hearing that includes the licensee's current address is made, the hearing shall commence not later than thirty days after the department receives the request.

(c) After commencing, the hearing shall continue

uninterrupted, except for Saturdays, Sundays, and legal 26454  
holidays, unless other interruptions are agreed to by the 26455  
licensee and the director. 26456

(d) If the hearing is conducted by a hearing examiner, the 26457  
hearing examiner shall file a report and recommendations with 26458  
the department not later than ten days after the last of the 26459  
following: 26460

(i) The close of the hearing; 26461

(ii) If a transcript of the proceedings is ordered, the 26462  
hearing examiner receives the transcript; 26463

(iii) If post-hearing briefs are timely filed, the hearing 26464  
examiner receives the briefs. 26465

(e) The hearing examiner shall send a written copy of the 26466  
report and recommendations, by certified mail, to the licensee, 26467  
or the licensee's attorney, if applicable, not later than five 26468  
days after the report is filed with the department. 26469

(f) Not later than five days after receiving the report 26470  
and recommendations, the licensee may file objections with the 26471  
department. 26472

(g) Not later than fifteen days after the hearing examiner 26473  
files the report and recommendations, the department shall issue 26474  
an order approving, modifying, or disapproving the report and 26475  
recommendations. 26476

(h) Notwithstanding the pendency of the hearing, the 26477  
department shall lift the order for the suspension of admissions 26478  
if the department determines the violation that formed the basis 26479  
for the order has been corrected. 26480

(I) The department may issue an interim license to operate 26481



a residential facility if both of the following conditions are 26482  
met: 26483

(1) The department determines that the closing of or the 26484  
need to remove residents from another residential facility has 26485  
created an emergency situation requiring immediate removal of 26486  
residents and an insufficient number of licensed beds are 26487  
available. 26488

(2) The residential facility applying for an interim 26489  
license meets standards established for interim licenses in 26490  
rules adopted by the director under division (N) of this 26491  
section. 26492

An interim license shall be valid for ninety days and may 26493  
be renewed by the director no more than twice. Proceedings 26494  
initiated to deny applications for or to revoke interim licenses 26495  
under this division are not subject to Chapter 119. of the 26496  
Revised Code. 26497

(J) (1) The department of mental health and addiction 26498  
services may conduct an inspection of a residential facility as 26499  
follows: 26500

(a) Prior to issuance of a license for the facility; 26501

(b) Prior to renewal of the license; 26502

(c) To determine whether the facility has completed a plan 26503  
of correction required pursuant to division (J) (2) of this 26504  
section and corrected deficiencies to the satisfaction of the 26505  
department and in compliance with this section and rules adopted 26506  
pursuant to it; 26507

(d) Upon complaint by any individual or agency; 26508

(e) At any time the director considers an inspection to be 26509

necessary in order to determine whether the facility is in 26510  
compliance with this section and rules adopted pursuant to this 26511  
section. 26512

(2) In conducting inspections the department may conduct 26513  
an on-site examination and evaluation of the residential 26514  
facility and its personnel, activities, and services. The 26515  
department shall have access to examine and copy all records, 26516  
accounts, and any other documents relating to the operation of 26517  
the residential facility, including records pertaining to 26518  
residents, and shall have access to the facility in order to 26519  
conduct interviews with the operator, staff, and residents. 26520  
Following each inspection and review, the department shall 26521  
complete a report listing any deficiencies, and including, when 26522  
appropriate, a time table within which the operator shall 26523  
correct the deficiencies. The department may require the 26524  
operator to submit a plan of correction describing how the 26525  
deficiencies will be corrected. 26526

(K) No person shall do any of the following: 26527

(1) Operate a residential facility unless the facility 26528  
holds a valid license; 26529

(2) Violate any of the conditions of licensure after 26530  
having been granted a license; 26531

(3) Interfere with a state or local official's inspection 26532  
or investigation of a residential facility; 26533

(4) Violate any of the provisions of this section or any 26534  
rules adopted pursuant to this section. 26535

(L) The following may enter a residential facility at any 26536  
time: 26537

(1) Employees designated by the director of mental health and addiction services; 26538  
26539

(2) Employees of an ADAMHS board under either of the following circumstances: 26540  
26541

(a) When a resident of the facility is receiving services from a community mental health services provider under contract with that ADAMHS board or another ADAMHS board; 26542  
26543  
26544

(b) When authorized by section 340.05 of the Revised Code. 26545

(3) Employees of a community mental health services provider under either of the following circumstances: 26546  
26547

(a) When the provider has a person receiving services residing in the facility; 26548  
26549

(b) When the provider is acting as an agent of an ADAMHS board other than the board with which it is under contract. 26550  
26551

(4) Representatives of the state long-term care ombudsman program when the facility provides accommodations, supervision, and personal care services for three to sixteen unrelated adults or to one or two unrelated adults who are receiving payments under the residential state supplement program. 26552  
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The persons specified in division (L) of this section shall be afforded access to examine and copy all records, accounts, and any other documents relating to the operation of the residential facility, including records pertaining to residents. 26557  
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26559  
26560  
26561

(M) Employees of the department of mental health and addiction services may enter, for the purpose of investigation, any institution, residence, facility, or other structure which has been reported to the department as, or that the department 26562  
26563  
26564  
26565

has reasonable cause to believe is, operating as a residential 26566  
facility without a valid license. 26567

(N) The director shall adopt and may amend and rescind 26568  
rules pursuant to Chapter 119. of the Revised Code governing the 26569  
licensing and operation of residential facilities. The rules 26570  
shall establish all of the following: 26571

(1) Minimum standards for the health, safety, adequacy, 26572  
and cultural competency of treatment of and services for persons 26573  
in residential facilities; 26574

(2) Procedures for the issuance, renewal, or revocation of 26575  
the licenses of residential facilities; 26576

(3) Procedures for conducting background investigations 26577  
for prospective or current operators, employees, volunteers, and 26578  
other non-resident occupants who may have direct access to 26579  
facility residents; 26580

(4) The fee to be paid when applying for a new residential 26581  
facility license or renewing the license; 26582

(5) Procedures for the operator of a residential facility 26583  
to follow when notifying the ADAMHS board serving the county in 26584  
which the facility is located when the facility is serving 26585  
residents with mental illness or severe mental disability, 26586  
including the circumstances under which the operator is required 26587  
to make such a notification; 26588

(6) Procedures for the issuance and termination of orders 26589  
of suspension of admission of residents to a residential 26590  
facility; 26591

(7) Measures to be taken by residential facilities 26592  
relative to residents' medication; 26593

(8) Requirements relating to preparation of special diets; 26594

(9) The maximum number of residents who may be served in a 26595  
residential facility; 26596

(10) The rights of residents of residential facilities and 26597  
procedures to protect such rights; 26598

(11) Standards and procedures under which the director may 26599  
waive the requirements of any of the rules adopted. 26600

(O) (1) The department may withhold the source of any 26601  
complaint reported as a violation of this section when the 26602  
department determines that disclosure could be detrimental to 26603  
the department's purposes or could jeopardize the investigation. 26604  
The department may disclose the source of any complaint if the 26605  
complainant agrees in writing to such disclosure and shall 26606  
disclose the source upon order by a court of competent 26607  
jurisdiction. 26608

(2) Any person who makes a complaint under division (O) (1) 26609  
of this section, or any person who participates in an 26610  
administrative or judicial proceeding resulting from such a 26611  
complaint, is immune from civil liability and is not subject to 26612  
criminal prosecution, other than for perjury, unless the person 26613  
has acted in bad faith or with malicious purpose. 26614

(P) (1) The director of mental health and addiction 26615  
services may petition the court of common pleas of the county in 26616  
which a residential facility is located for an order enjoining 26617  
any person from operating a residential facility without a 26618  
license or from operating a licensed facility when, in the 26619  
director's judgment, there is a present danger to the health or 26620  
safety of any of the occupants of the facility. The court shall 26621  
have jurisdiction to grant such injunctive relief upon a showing 26622

that the respondent named in the petition is operating a 26623  
facility without a license or there is a present danger to the 26624  
health or safety of any residents of the facility. 26625

(2) When the court grants injunctive relief in the case of 26626  
a facility operating without a license, the court shall issue, 26627  
at a minimum, an order enjoining the facility from admitting new 26628  
residents to the facility and an order requiring the facility to 26629  
assist with the safe and orderly relocation of the facility's 26630  
residents. 26631

(3) If injunctive relief is granted against a facility for 26632  
operating without a license and the facility continues to 26633  
operate without a license, the director shall refer the case to 26634  
the attorney general for further action. 26635

(Q) The director may fine a person for violating division 26636  
(K) of this section. The fine shall be five hundred dollars for 26637  
a first offense; for each subsequent offense, the fine shall be 26638  
one thousand dollars. The director's actions in imposing a fine 26639  
shall be taken in accordance with Chapter 119. of the Revised 26640  
Code. 26641

**Sec. 5120.07.** (A) There is hereby created the ex-offender 26642  
reentry coalition consisting of the following twenty-one members 26643  
or their designees: 26644

(1) The director of rehabilitation and correction; 26645

(2) The director of aging; 26646

(3) The director of mental health and addiction services; 26647

(4) The director of housing and development; 26648

(5) The director of education and workforce; 26649

- (6) The director of health; 26650
- (7) The director of job and family services; 26651
- (8) The director of developmental disabilities; 26652
- (9) The director of public safety; 26653
- (10) The director of youth services; 26654
- (11) The chancellor of higher education; 26655
- (12) A representative or member of the governor's staff; 26656
- (13) The executive director of the opportunities for  
Ohioans with disabilities agency; 26657  
26658
- (14) The director of the department of commerce; 26659
- (15) The executive director of a health care licensing 26660  
board created under Title XLVII of the Revised Code, as 26661  
appointed by the chairperson of the coalition; 26662
- (16) The director of veterans services; 26663
- (17) An ex-offender appointed by the director of 26664  
rehabilitation and correction; 26665
- (18) Two members of the house of representatives appointed 26666  
by the speaker of the house of representatives, one of whom 26667  
shall be the chairperson of the standing committee in the house 26668  
of representatives that primarily addresses criminal justice 26669  
matters and the other of whom shall be a member of the minority 26670  
party in the house of representatives; 26671
- (19) Two members of the senate appointed by the president 26672  
of the senate, one of whom shall be the chairperson of the 26673  
standing committee in the senate that primarily addresses 26674  
criminal justice matters and the other of whom shall be a member 26675

of the minority party in the senate. 26676

(B) The members of the coalition shall serve without 26677  
compensation. The director of rehabilitation and correction or 26678  
the director's designee shall be the chairperson of the 26679  
coalition. 26680

(C) In consultation with persons interested and involved 26681  
in the reentry of ex-offenders into the community, the members 26682  
of the coalition shall meet periodically for the purpose of 26683  
formulating, discussing, and developing policies and practices 26684  
that facilitate the expansion and improvement of reentry 26685  
services provided by state and local agencies in the 26686  
collaborative efforts of those agencies to reintegrate offenders 26687  
into society while simultaneously maintaining public safety and 26688  
reducing recidivism in this state. Not later than one year after 26689  
April 7, 2009, and on or before the same date of each year 26690  
thereafter, the coalition shall submit to the speaker of the 26691  
house of representatives and the president of the senate a 26692  
report, including recommendations for legislative action, the 26693  
activities of the coalition, and the barriers affecting the 26694  
successful reentry of ex-offenders into the community. The 26695  
report shall analyze the effects of those barriers on ex- 26696  
offenders and on their children and other family members in 26697  
various areas, including but not limited to, the following: 26698

- (1) Admission to public and other housing; 26699
- (2) Child support obligations and procedures; 26700
- (3) Parental incarceration and family reunification; 26701
- (4) Social security benefits, veterans' benefits, food 26702  
stamps, and other forms of public assistance; 26703
- (5) Employment; 26704



|   |       |
|---|-------|
| (6) Education programs and financial assistance;                | 26705 |
| (7) Substance abuse and sex offender treatment programs         | 26706 |
| and financial assistance and mental health services and         | 26707 |
| financial assistance;   | 26708 |
| (8) Civic and political participation;                          | 26709 |
| (9) Other collateral consequences under the Revised Code        | 26710 |
| or the Ohio administrative code law that may result from a      | 26711 |
| criminal conviction.  | 26712 |
| (D) (1) The report shall also include the following             | 26713 |
| information:  | 26714 |
| (a) Identification of state appropriations for reentry          | 26715 |
| programs;   | 26716 |
| (b) Identification of other funding sources for reentry         | 26717 |
| programs that are not funded by the state.                      | 26718 |
| (2) The coalition shall gather information about reentry        | 26719 |
| programs in a repository maintained and made available by the   | 26720 |
| coalition. Where available, the information shall include the   | 26721 |
| following:  | 26722 |
| (a) The amount of funding received;                             | 26723 |
| (b) The number of program participants;                         | 26724 |
| (c) The composition of the program, including program           | 26725 |
| goals, methods for measuring success, and program success rate; | 26726 |
| (d) The type of post-program tracking that is utilized;         | 26727 |
| (e) Information about employment rates and recidivism           | 26728 |
| rates of ex-offenders.  | 26729 |
| <b>Sec. 5126.071.</b> (A) As used in this section, "minority    | 26730 |

business enterprise" has the meaning given in division (E) (1) of 26731  
section 122.71 of the Revised Code. 26732

(B) Any minority business enterprise that desires to bid 26733  
on a contract under division (C) or (D) of this section shall 26734  
first apply to the department of housing and development for 26735  
certification as a minority business enterprise. The director of 26736  
housing and development shall approve the application of any 26737  
minority business enterprise that complies with the rules 26738  
adopted under section 122.71 of the Revised Code. The director 26739  
shall prepare and maintain a list of minority business 26740  
enterprises certified under this section. 26741

(C) From the contracts to be awarded for the purchases of 26742  
equipment, materials, supplies, insurance, and nonprogram 26743  
services, other than contracts entered into and exempt under 26744  
sections 307.86 and 5126.05 of the Revised Code, each county 26745  
board of developmental disabilities shall select a number of 26746  
contracts with an aggregate value of approximately fifteen per 26747  
cent of the total estimated value of such contracts to be 26748  
awarded in the current calendar year. The board shall set aside 26749  
the contracts so selected for bidding by minority business 26750  
enterprises only. The bidding procedures for such contracts 26751  
shall be the same as for all other contracts awarded under 26752  
section 307.86 of the Revised Code, except that only minority 26753  
business enterprises certified and listed under division (B) of 26754  
this section shall be qualified to submit bids. Contracts set 26755  
aside and awarded under this section shall not include contracts 26756  
for the purchase of services such as direct and ancillary 26757  
services, service and support administration, residential 26758  
services, and family support services. 26759

(D) To the extent that a board is authorized to enter into 26760

contracts for construction which are not exempt from the 26761  
competitive bidding requirements of section 307.86 of the 26762  
Revised Code, the board shall set aside a number of contracts 26763  
the aggregate value of which equals approximately five per cent 26764  
of the aggregate value of construction contracts for the current 26765  
calendar year for bidding by minority business enterprises only. 26766  
The bidding procedures for the contracts set aside for minority 26767  
business enterprises shall be the same as for all other 26768  
contracts awarded by the board, except that only minority 26769  
business enterprises certified and listed under division (B) of 26770  
this section shall be qualified to submit bids. 26771

Any contractor awarded a construction contract pursuant to 26772  
this section shall make every effort to ensure that certified 26773  
minority business subcontractors and materials suppliers 26774  
participate in the contract. In the case of contracts specified 26775  
in this division, the total value of subcontracts awarded to and 26776  
materials and services purchased from minority businesses shall 26777  
be at least ten per cent of the total value of the contract, 26778  
wherever possible and whenever the contractor awards 26779  
subcontracts or purchases materials or services. 26780

(E) In the case of contracts set aside under divisions (C) 26781  
and (D) of this section, if no bid is submitted by a minority 26782  
business enterprise, the contract shall be awarded according to 26783  
normal bidding procedures. The board shall from time to time set 26784  
aside such additional contracts as are necessary to replace 26785  
those contracts previously set aside on which no minority 26786  
business enterprise bid. 26787

(F) This section does not preclude any minority business 26788  
enterprise from bidding on any other contract not specifically 26789  
set aside for minority business enterprises. 26790

(G) Within ninety days after the beginning of each 26791  
calendar year, each county board of developmental disabilities 26792  
shall file a report with the department of developmental 26793  
disabilities that shows for that calendar year the name of each 26794  
minority business enterprise with which the board entered into a 26795  
contract, the value and type of each such contract, the total 26796  
value of contracts awarded under divisions (C) and (D) of this 26797  
section, the total value of contracts awarded for the purchases 26798  
of equipment, materials, supplies, or services, other than 26799  
contracts entered into under the exemptions of sections 307.86 26800  
and 5126.05 of the Revised Code, and the total value of 26801  
contracts entered into for construction. 26802

(H) Any person who intentionally misrepresents that person 26803  
as owning, controlling, operating, or participating in a 26804  
minority business enterprise for the purpose of obtaining 26805  
contracts or any other benefits under this section shall be 26806  
guilty of theft by deception as provided for in section 2913.02 26807  
of the Revised Code. 26808

**Sec. 5126.18.** (A) As used in this section: 26809

(1) "Taxable value" means the taxable value of a county 26810  
certified under division (B) of this section. 26811

(2) "Per-mill yield" means the quotient obtained by 26812  
dividing the taxable value of a county by one thousand. 26813

(3) "Population" of a county means that shown by the 26814  
federal census for a census year or, for a noncensus year, the 26815  
population as estimated by the department of housing and 26816  
development. 26817

(4) "Six-year moving average" means the average of the 26818  
per-mill yields of a county for the most recent six years. 26819

(5) "Yield per person" means the quotient obtained by 26820  
dividing the six-year moving average of a county by the 26821  
population of that county. 26822

(6) "Tax equity payments" means payments to county boards 26823  
of developmental disabilities under this section or a prior 26824  
version of this section from money appropriated by the general 26825  
assembly to the department of developmental disabilities for 26826  
that purpose. 26827

(7) "Eligible county" means a county determined under 26828  
division (C) of this section to be eligible for tax equity 26829  
payments for the two-year period for which that determination is 26830  
made. 26831

(8) "Threshold county" means the county with the lowest 26832  
yield per person that is determined not to be eligible to 26833  
receive tax equity payments. 26834

(B) At the request of the director of developmental 26835  
disabilities, the tax commissioner shall certify to the director 26836  
the taxable value of property on each county's most recent tax 26837  
list of real and public utility property. The director may 26838  
request any other tax information necessary for the purposes of 26839  
this section. 26840

(C) Beginning in 2011, on or before the thirty-first day 26841  
of May of that year and of every second year thereafter, the 26842  
director of developmental disabilities shall determine whether a 26843  
county is eligible to receive tax equity payments for the 26844  
ensuing two fiscal years as follows: 26845

(1) The director shall determine the six-year moving 26846  
average, population, and yield per person of each county in the 26847  
state, based on the most recent information available. 26848

(2) The director shall calculate a tax equity funding 26849  
threshold by adding the population of the county with the lowest 26850  
yield per person and the populations of individual counties in 26851  
order from lowest yield per person to highest yield per person 26852  
until the addition of the population of another county would 26853  
increase the aggregate sum to over thirty per cent of the total 26854  
state population. A county is eligible to receive tax equity 26855  
payments for the two-year period if its population is included 26856  
in the calculation of the threshold and the addition of its 26857  
population does not increase such sum to over thirty per cent of 26858  
the total state population. 26859

(D) (1) Except as provided in divisions (D) (2) and (3) of 26860  
this section, beginning in fiscal year 2012 and for each fiscal 26861  
year thereafter, the director shall make tax equity payments to 26862  
each eligible county equal to the population of the county 26863  
multiplied by the difference between the yield per person of the 26864  
threshold county and the yield per person of the eligible 26865  
county. For purposes of this division, the population and yield 26866  
per person of a county equal the population and yield per person 26867  
most recently determined for that county under division (C) (1) 26868  
of this section. The payments shall be made in quarterly 26869  
installments of equal amounts not later than the thirtieth day 26870  
of September, the thirty-first day of December, the thirty-first 26871  
day of March, and the thirtieth day of June of each fiscal year. 26872

(2) In fiscal year 2012, if the amount determined under 26873  
division (D) (1) of this section for an eligible county is at 26874  
least twenty thousand dollars greater than or twenty thousand 26875  
dollars less than the amount of tax equity payments the county 26876  
received in fiscal year 2011, the county's tax equity payments 26877  
for fiscal years 2012 through 2014 shall equal the following: 26878

(a) For fiscal year 2012, one-fourth of the amount 26879  
calculated for the eligible county under division (D) (1) of this 26880  
section plus three-fourths of the amount of tax equity payments 26881  
the county received in fiscal year 2011; 26882

(b) For fiscal year 2013, one-half of the amount 26883  
calculated for the eligible county under division (D) (1) of this 26884  
section plus one-half of the amount of tax equity payments the 26885  
county received in fiscal year 2011; 26886

(c) For fiscal year 2014, three-fourths of the amount 26887  
calculated for the eligible county under division (D) (1) of this 26888  
section plus one-fourth of the amount of tax equity payments the 26889  
county received in fiscal year 2011. 26890

(3) In any fiscal year, if the total amount of tax equity 26891  
payments for all eligible counties as determined under divisions 26892  
(D) (1) and (2) of this section is greater than the amount 26893  
appropriated to the department of developmental disabilities for 26894  
the purpose of making such payments in that fiscal year, the 26895  
director shall reduce the payments to each eligible county board 26896  
in equal proportion. If the total amount of tax equity payments 26897  
as determined under that division is less than the amount 26898  
appropriated to the department for that purpose, the director 26899  
shall determine how to allocate the excess money after 26900  
consultation with the Ohio association of county boards serving 26901  
people with developmental disabilities. 26902

(4) Tax equity payments shall be paid only to an eligible 26903  
county board of developmental disabilities and not to a regional 26904  
council established under section 5126.13 of the Revised Code or 26905  
any other entity. 26906

(E) (1) Except as provided in division (E) (2) of this 26907

section, a county board of developmental disabilities shall use 26908  
tax equity payments solely to pay the nonfederal share of 26909  
medicaid expenditures it is required to pay under sections 26910  
5126.059 and 5126.0510 of the Revised Code. Tax equity payments 26911  
shall not be used to pay any salary or other compensation to 26912  
county board personnel. 26913

(2) Upon the written request of a county board, the 26914  
director of developmental disabilities may authorize a county 26915  
board to use tax equity payments for infrastructure improvements 26916  
necessary to support medicaid waiver administration. 26917

(3) The director may audit any county board receiving tax 26918  
equity payments to ensure appropriate use of the payments in 26919  
accordance with this section. If the director determines that a 26920  
county board is using payments inappropriately, the director 26921  
shall notify the county board in writing of the determination. 26922  
Within thirty days after receiving the director's notification, 26923  
the county board shall submit a written plan of correction to 26924  
the director. The director may accept or reject the plan. If the 26925  
director rejects the plan, the director may require the county 26926  
board to repay all or a portion of the amount of tax equity 26927  
payments used inappropriately. The director shall distribute any 26928  
tax equity payments returned under this division to other 26929  
eligible county boards in accordance with a plan developed by 26930  
the director after consultation with the Ohio association of 26931  
county boards serving people with developmental disabilities. 26932

**Sec. 5501.031.** The department of transportation shall: 26933

(A) Consider energy conservation as an integral factor 26934  
along with economics, engineering, safety, and the environment 26935  
in the planning, design, and utilization of transportation 26936  
facilities; 26937



(B) Reevaluate existing plans for highways and other 26938  
transportation modes and require regional transportation studies 26939  
and local planning agencies operating under state coordination 26940  
or with state funds to cooperate in such reevaluation. Such 26941  
reevaluation shall consider shifts to energy conservation modes 26942  
and improvement in modal energy efficiencies, and shall include 26943  
both technological alternatives and administrative or management 26944  
strategies. Short-term conservation measures must be adaptable 26945  
to long-term conservation requirements to include permanent 26946  
reductions in gasoline usage and revitalization of railroads. 26947

(C) Take all necessary steps to increase the level of 26948  
awareness of transportation professions and related government 26949  
sectors of those techniques that are immediately available to 26950  
reduce petroleum consumption in improving operation and 26951  
maintenance of transportation facilities; 26952

(D) Review construction specifications and design 26953  
standards for highway construction and maintenance, with a view 26954  
to pursuing the elimination of those found to be unnecessary and 26955  
wasteful of energy; 26956

(E) Submit recommendations to the department of housing 26957  
and development and to the general assembly, designed to reduce 26958  
the energy intensive nature of the existing transportation 26959  
system, control the growth of gasoline demand, and support other 26960  
efforts to conserve energy; 26961

(F) In cooperation with the department of housing and 26962  
development, encourage and promote the establishment of carpool 26963  
and vanpool programs including preferential parking for vehicles 26964  
used in carpools or vanpools. The department of transportation 26965  
shall also study the feasibility of preferential traffic control 26966  
for public transportation vehicles and variable working hours as 26967

additional conservation measures. 26968

The department shall undertake to utilize to the fullest 26969  
extent funds made available under federal or state programs for 26970  
the development of park-and-ride lots to serve carpools and 26971  
vanpools and encourage the use of public transportation 26972  
facilities. Potential locations and funds for park-and-ride lots 26973  
shall be identified in at least one location in each standard 26974  
metropolitan statistical area in the state. These locations 26975  
shall be reported to the department of housing and development. 26976

**Sec. 5531.08.** (A) In order to expedite a highway project 26977  
involving the expenditure of federal and state funds and to 26978  
utilize all privileges provided by the "Intermodal Surface 26979  
Transportation Efficiency Act of 1991," 105 Stat. 1914, 49 26980  
U.S.C.A. 101, the director of transportation may designate a 26981  
project team for the purposes of certifying design review and 26982  
performing field and office inspections and cost estimates, on 26983  
behalf of the federal highway administration. 26984

(B) (1) Upon a written determination by the director that 26985  
it would be in the best interests of the traveling public, the 26986  
director, upon the written request of a county, township, or 26987  
municipal corporation, may utilize moneys in the highway 26988  
operating fund created by section 5735.051 of the Revised Code 26989  
to pay that portion of the construction cost of a highway 26990  
project which the county, township, or municipal corporation 26991  
normally would be required to pay. 26992

(2) The director shall not utilize moneys in the highway 26993  
operating fund for a highway project in the manner described in 26994  
division (B) (1) of this section unless all of the following 26995  
apply: 26996

(a) The preliminary engineering design of the project is 26997  
complete, all necessary rights-of-way have been obtained, and 26998  
all federal, state, and local environmental studies and permits 26999  
have been performed or obtained; 27000

(b) The director of transportation has submitted the 27001  
proposed project to the director of housing and development for 27002  
an evaluation of the potential economic benefit to the area. The 27003  
county, township, or municipal corporation certifies to the 27004  
director of housing and development that the project will create 27005  
not less than five permanent living wage jobs. This requirement 27006  
shall be fulfilled during the three-year period following the 27007  
completion date of the project, and the county, township, or 27008  
municipal corporation may define the geographic area within 27009  
which the jobs will be created. 27010

(c) The quotient resulting from the division of the total 27011  
amount of moneys utilized to cover the portion of the 27012  
construction cost of the highway project that a county, 27013  
township, or municipal corporation would normally be required to 27014  
pay, divided by the number of permanent living wage jobs 27015  
certified to the director of housing and development by the 27016  
county, township, or municipal corporation pursuant to division 27017  
(B) (2) (b) of this section is less than or equal to ten thousand 27018  
dollars. 27019

(C) Upon a written determination by the director of 27020  
transportation that it would be in the best interests of the 27021  
traveling public, the director, upon the written request of a 27022  
county, township, or municipal corporation, may declare a waiver 27023  
of that portion of the cost of a highway project which the 27024  
county, township, or municipal corporation normally would be 27025  
required to pay. 27026

(D) The director of housing and development shall do all 27027  
of the following: 27028

(1) Review all requests submitted by a county, township, 27029  
or municipal corporation to the director of transportation 27030  
pursuant to division (B) of this section for the expenditure of 27031  
moneys from the highway operating fund; 27032

(2) Submit findings and recommendations to the director of 27033  
transportation upon completion of the review process; 27034

(3) Monitor the results of a highway project for which 27035  
moneys in the highway operating fund are utilized in order to 27036  
ascertain whether the number of permanent living wage jobs 27037  
certified to the director of transportation pursuant to division 27038  
(B) (2) (b) of this section actually are created as a result of 27039  
the highway project within the three-year period following the 27040  
completion of the project, and submit reports relating to this 27041  
subject to the director as necessary. 27042

(E) The director of transportation may award eligible 27043  
federal funds or state general revenue funds to local units of 27044  
government, including regional transit authorities providing 27045  
public transportation service and metropolitan planning 27046  
organizations. These funds may be used for such purposes as 27047  
alleviating traffic congestion or improving air quality in 27048  
nonattainment areas of the state as defined by the "Clean Air 27049  
Act of 1990," 104 Stat. 2399, 42 U.S.C.A. 7401. The funds also 27050  
may be used to acquire or construct park-and-ride facilities, to 27051  
purchase traffic devices to improve vehicular flow, and for 27052  
other travel demand management activities that meet the mandates 27053  
of the Clean Air Act in nonattainment areas of the state. 27054

(F) As used in this section, "living wage job" means an 27055

employment position paying an annual average gross wage amount 27056  
per full-time person of not less than twenty thousand dollars 27057  
per year. 27058

**Sec. 5703.0510.** (A) Notwithstanding any other provision of 27059  
the Revised Code that requires a taxpayer to provide a tax 27060  
credit certificate to the tax commissioner upon the 27061  
commissioner's request, any person claiming a credit against a 27062  
tax or fee administered by the commissioner shall provide a copy 27063  
of any accompanying certificate issued by the director of 27064  
housing and development services or by another state agency, if 27065  
applicable, demonstrating the person's eligibility for the 27066  
credit claimed. 27067

(B) If the commissioner prescribes a form for the purpose 27068  
of tracking the credits claimed by a person against any tax or 27069  
fee administered by the commissioner, the person shall provide 27070  
the completed form and a copy of any certificate described in 27071  
division (A) of this section on or before the due date of the 27072  
return, report, or schedule for the tax or fee against which the 27073  
credit is claimed. 27074

(C) If a person fails to provide a certificate or form as 27075  
required under this section, the commissioner shall deny the 27076  
credit claimed by the person until such certificate or form is 27077  
provided to the commissioner. Any amount denied under this 27078  
section may be assessed in the same manner as the underlying tax 27079  
or fee. 27080

**Sec. 5703.57.** (A) As used in this section, "Ohio business 27081  
gateway" has the same meaning as in section 718.01 of the 27082  
Revised Code. 27083

(B) There is hereby created the Ohio business gateway 27084

steering committee to direct the continuing development of the 27085  
Ohio business gateway and to oversee its operations. The 27086  
committee shall provide general oversight regarding operation of 27087  
the Ohio business gateway and shall recommend to the department 27088  
of administrative services enhancements that will improve the 27089  
Ohio business gateway. The committee shall consider all banking, 27090  
technological, administrative, and other issues associated with 27091  
the Ohio business gateway and shall make recommendations 27092  
regarding the type of reporting forms or other tax documents to 27093  
be filed through the Ohio business gateway. 27094

(C) The committee shall consist of: 27095

(1) The following members, appointed by the governor with 27096  
the advice and consent of the senate: 27097

(a) Not more than four representatives of the business 27098  
community; 27099

(b) Not more than one representative of municipal tax 27100  
administrators, as defined in section 718.01 of the Revised 27101  
Code, selected from a list of candidates provided by the Ohio 27102  
municipal league; and 27103

(c) Not more than two tax practitioners. 27104

(2) The following ex officio members: 27105

(a) The director or other highest officer of each state 27106  
agency that has tax reporting forms or other tax documents filed 27107  
with it through the Ohio business gateway or the director's 27108  
designee; 27109

(b) The secretary of state or the secretary of state's 27110  
designee; 27111

(c) The treasurer of state or the treasurer of state's 27112

designee; 27113

(d) The director of budget and management or the 27114  
director's designee; 27115

(e) The state chief information officer or the officer's 27116  
designee; 27117

(f) The tax commissioner or the tax commissioner's 27118  
designee; 27119

(g) The director of housing and development or the 27120  
director's designee; 27121

(h) The governor or the governor's designee. 27122

An appointed member shall serve until the member resigns 27123  
or is removed by the governor. Vacancies shall be filled in the 27124  
same manner as original appointments. 27125

(D) A vacancy on the committee does not impair the right 27126  
of the other members to exercise all the functions of the 27127  
committee. The presence of a majority of the members of the 27128  
committee constitutes a quorum for the conduct of business of 27129  
the committee. The concurrence of at least a majority of the 27130  
members of the committee is necessary for any action to be taken 27131  
by the committee. On request, each member of the committee shall 27132  
be reimbursed for the actual and necessary expenses incurred in 27133  
the discharge of the member's duties. 27134

(E) The committee is a part of the department of taxation 27135  
for administrative purposes. 27136

(F) Each year, the governor shall select a member of the 27137  
committee to serve as chairperson. The chairperson shall appoint 27138  
an official or employee of the department of taxation to act as 27139  
the committee's secretary. The secretary shall keep minutes of 27140

the committee's meetings and a journal of all meetings, 27141  
proceedings, findings, and determinations of the committee. 27142

(G) The committee may hire professional, technical, and 27143  
clerical staff needed to support its activities. 27144

(H) The committee shall meet as often as necessary to 27145  
perform its duties. 27146

**Sec. 5709.12.** (A) As used in this section, "independent 27147  
living facilities" means any residential housing facilities and 27148  
related property that are not a nursing home, residential care 27149  
facility, or residential facility as defined in division (A) of 27150  
section 5701.13 of the Revised Code. 27151

(B) Lands, houses, and other buildings belonging to a 27152  
county, township, or municipal corporation and used exclusively 27153  
for the accommodation or support of the poor, or leased to the 27154  
state or any political subdivision for public purposes shall be 27155  
exempt from taxation. Real and tangible personal property 27156  
belonging to institutions that is used exclusively for 27157  
charitable purposes shall be exempt from taxation, including 27158  
real property belonging to an institution that is a nonprofit 27159  
corporation that receives a grant under the Thomas Alva Edison 27160  
grant program authorized by division (C) of section 122.33 of 27161  
the Revised Code at any time during the tax year and being held 27162  
for leasing or resale to others. If, at any time during a tax 27163  
year for which such property is exempted from taxation, the 27164  
corporation ceases to qualify for such a grant, the director of 27165  
housing and development shall notify the tax commissioner, and 27166  
the tax commissioner shall cause the property to be restored to 27167  
the tax list beginning with the following tax year. All property 27168  
owned and used by a nonprofit organization exclusively for a 27169  
home for the aged, as defined in section 5701.13 of the Revised 27170



Code, also shall be exempt from taxation. 27171

(C) (1) If a home for the aged described in division (B) (1) 27172  
of section 5701.13 of the Revised Code is operated in 27173  
conjunction with or at the same site as independent living 27174  
facilities, the exemption granted in division (B) of this 27175  
section shall include kitchen, dining room, clinic, entry ways, 27176  
maintenance and storage areas, and land necessary for access 27177  
commonly used by both residents of the home for the aged and 27178  
residents of the independent living facilities. Other facilities 27179  
commonly used by both residents of the home for the aged and 27180  
residents of independent living units shall be exempt from 27181  
taxation only if the other facilities are used primarily by the 27182  
residents of the home for the aged. Vacant land currently unused 27183  
by the home, and independent living facilities and the lands 27184  
connected with them are not exempt from taxation. Except as 27185  
provided in division (A) (1) of section 5709.121 of the Revised 27186  
Code, property of a home leased for nonresidential purposes is 27187  
not exempt from taxation. 27188

(2) Independent living facilities are exempt from taxation 27189  
if they are operated in conjunction with or at the same site as 27190  
a home for the aged described in division (B) (2) of section 27191  
5701.13 of the Revised Code; operated by a corporation, 27192  
association, or trust described in division (B) (1) (b) of that 27193  
section; operated exclusively for the benefit of members of the 27194  
corporation, association, or trust who are retired, aged, or 27195  
infirm; and provided to those members without charge in 27196  
consideration of their service, without compensation, to a 27197  
charitable, religious, fraternal, or educational institution. 27198  
For the purposes of division (C) (2) of this section, 27199  
"compensation" does not include furnishing room and board, 27200  
clothing, health care, or other necessities, or stipends or 27201

other de minimis payments to defray the cost thereof. 27202

(D) (1) A private corporation established under federal 27203  
law, as defined in 36 U.S.C. 1101, Pub. L. No. 102-199, 105 27204  
Stat. 1629, as amended, the objects of which include encouraging 27205  
the advancement of science generally, or of a particular branch 27206  
of science, the promotion of scientific research, the 27207  
improvement of the qualifications and usefulness of scientists, 27208  
or the increase and diffusion of scientific knowledge is 27209  
conclusively presumed to be a charitable or educational 27210  
institution. A private corporation established as a nonprofit 27211  
corporation under the laws of a state that is exempt from 27212  
federal income taxation under section 501(c) (3) of the Internal 27213  
Revenue Code of 1986, 100 Stat. 2085, 26 U.S.C.A. 1, as amended, 27214  
and that has as its principal purpose one or more of the 27215  
foregoing objects also is conclusively presumed to be a 27216  
charitable or educational institution. 27217

The fact that an organization described in this division 27218  
operates in a manner that results in an excess of revenues over 27219  
expenses shall not be used to deny the exemption granted by this 27220  
section, provided such excess is used, or is held for use, for 27221  
exempt purposes or to establish a reserve against future 27222  
contingencies; and, provided further, that such excess may not 27223  
be distributed to individual persons or to entities that would 27224  
not be entitled to the tax exemptions provided by this chapter. 27225  
Nor shall the fact that any scientific information diffused by 27226  
the organization is of particular interest or benefit to any of 27227  
its individual members be used to deny the exemption granted by 27228  
this section, provided that such scientific information is 27229  
available to the public for purchase or otherwise. 27230

(2) Division (D) (2) of this section does not apply to real 27231

property exempted from taxation under this section and division 27232  
(A) (3) of section 5709.121 of the Revised Code and belonging to 27233  
a nonprofit corporation described in division (D) (1) of this 27234  
section that has received a grant under the Thomas Alva Edison 27235  
grant program authorized by division (C) of section 122.33 of 27236  
the Revised Code during any of the tax years the property was 27237  
exempted from taxation. 27238

When a private corporation described in division (D) (1) of 27239  
this section sells all or any portion of a tract, lot, or parcel 27240  
of real estate that has been exempt from taxation under this 27241  
section and section 5709.121 of the Revised Code, the portion 27242  
sold shall be restored to the tax list for the year following 27243  
the year of the sale and, except in connection with a sale and 27244  
transfer of such a tract, lot, or parcel to a county land 27245  
reutilization corporation organized under Chapter 1724. of the 27246  
Revised Code, a charge shall be levied against the sold property 27247  
in an amount equal to the tax savings on such property during 27248  
the four tax years preceding the year the property is placed on 27249  
the tax list. The tax savings equals the amount of the 27250  
additional taxes that would have been levied if such property 27251  
had not been exempt from taxation. 27252

The charge constitutes a lien of the state upon such 27253  
property as of the first day of January of the tax year in which 27254  
the charge is levied and continues until discharged as provided 27255  
by law. The charge may also be remitted for all or any portion 27256  
of such property that the tax commissioner determines is 27257  
entitled to exemption from real property taxation for the year 27258  
such property is restored to the tax list under any provision of 27259  
the Revised Code, other than sections 725.02, 1728.10, 3735.67, 27260  
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.71, 5709.73, 27261  
5709.78, and 5709.84, upon an application for exemption covering 27262

the year such property is restored to the tax list filed under 27263  
section 5715.27 of the Revised Code. 27264

(E) (1) Real property held by an organization organized and 27265  
operated exclusively for charitable purposes as described under 27266  
section 501(c)(3) of the Internal Revenue Code and exempt from 27267  
federal taxation under section 501(a) of the Internal Revenue 27268  
Code, 26 U.S.C.A. 501(a) and (c)(3), as amended, for the purpose 27269  
of constructing or rehabilitating residences for eventual 27270  
transfer to qualified low-income families through sale, lease, 27271  
or land installment contract, shall be exempt from taxation. 27272

The exemption shall commence on the day title to the 27273  
property is transferred to the organization and shall continue 27274  
to the end of the tax year in which the organization transfers 27275  
title to the property to a qualified low-income family. In no 27276  
case shall the exemption extend beyond the second succeeding tax 27277  
year following the year in which the title was transferred to 27278  
the organization. If the title is transferred to the 27279  
organization and from the organization to a qualified low-income 27280  
family in the same tax year, the exemption shall continue to the 27281  
end of that tax year. The proportionate amount of taxes that are 27282  
a lien but not yet determined, assessed, and levied for the tax 27283  
year in which title is transferred to the organization shall be 27284  
remitted by the county auditor for each day of the year that 27285  
title is held by the organization. 27286

Upon transferring the title to another person, the 27287  
organization shall file with the county auditor an affidavit 27288  
affirming that the title was transferred to a qualified low- 27289  
income family or that the title was not transferred to a 27290  
qualified low-income family, as the case may be; if the title 27291  
was transferred to a qualified low-income family, the affidavit 27292

shall identify the transferee by name. If the organization 27293  
transfers title to the property to anyone other than a qualified 27294  
low-income family, the exemption, if it has not previously 27295  
expired, shall terminate, and the property shall be restored to 27296  
the tax list for the year following the year of the transfer and 27297  
a charge shall be levied against the property in an amount equal 27298  
to the amount of additional taxes that would have been levied if 27299  
such property had not been exempt from taxation. The charge 27300  
constitutes a lien of the state upon such property as of the 27301  
first day of January of the tax year in which the charge is 27302  
levied and continues until discharged as provided by law. 27303

The application for exemption shall be filed as otherwise 27304  
required under section 5715.27 of the Revised Code, except that 27305  
the organization holding the property shall file with its 27306  
application documentation substantiating its status as an 27307  
organization organized and operated exclusively for charitable 27308  
purposes under section 501(c)(3) of the Internal Revenue Code 27309  
and its qualification for exemption from federal taxation under 27310  
section 501(a) of the Internal Revenue Code, and affirming its 27311  
intention to construct or rehabilitate the property for the 27312  
eventual transfer to qualified low-income families. 27313

As used in this division, "qualified low-income family" 27314  
means a family whose income does not exceed two hundred per cent 27315  
of the official federal poverty guidelines as revised annually 27316  
in accordance with section 673(2) of the "Omnibus Budget 27317  
Reconciliation Act of 1981," 95 Stat. 511, 42 U.S.C.A. 9902, as 27318  
amended, for a family size equal to the size of the family whose 27319  
income is being determined. 27320

(2) Real property constituting a retail store, including 27321  
the land on which the retail store is located, that is owned and 27322

operated by an organization described in division (E) (1) of this 27323  
section shall be exempt from taxation if the retail store sells 27324  
primarily donated items suitable for residential housing 27325  
purposes and if the proceeds of such sales are used solely for 27326  
the purposes of the organization. 27327

(F) (1) Real property that is acquired and held by a county 27328  
land reutilization corporation organized under Chapter 1724. of 27329  
the Revised Code and that is not exempt from taxation under 27330  
Chapter 5722. of the Revised Code shall be deemed real property 27331  
used for a public purpose and shall be exempt from taxation 27332  
until sold or transferred by the corporation. Notwithstanding 27333  
section 5715.27 of the Revised Code, a county land reutilization 27334  
corporation is not required to apply to any county or state 27335  
agency in order to qualify for the exemption. 27336

(2) Real property that is acquired and held by an electing 27337  
subdivision other than a county land reutilization corporation 27338  
on or after April 9, 2009, for the public purpose of 27339  
implementing an effective land reutilization program or for a 27340  
related public purpose, and that is not exempt from taxation 27341  
under Chapter 5722. of the Revised Code, shall be exempt from 27342  
taxation until sold or transferred by the electing subdivision. 27343  
Notwithstanding section 5715.27 of the Revised Code, an electing 27344  
subdivision is not required to apply to any county or state 27345  
agency in order to qualify for an exemption with respect to 27346  
property acquired or held for such purposes on or after such 27347  
date, regardless of how the electing subdivision acquires the 27348  
property. 27349

As used in this section, "electing subdivision" and "land 27350  
reutilization program" have the same meanings as in section 27351  
5722.01 of the Revised Code, and "county land reutilization 27352

corporation" means a county land reutilization corporation 27353  
organized under Chapter 1724. of the Revised Code and any 27354  
subsidiary wholly owned by such a county land reutilization 27355  
corporation that is identified as "a wholly owned subsidiary of 27356  
a county land reutilization corporation" in the deed of 27357  
conveyance transferring title to the subsidiary. 27358

In lieu of the application for exemption otherwise 27359  
required to be filed as required under section 5715.27 of the 27360  
Revised Code, a county land reutilization corporation holding 27361  
the property shall, upon the request of any county or state 27362  
agency, submit its articles of incorporation substantiating its 27363  
status as a county land reutilization corporation. 27364

(G) Real property that is owned by an organization 27365  
described under section 501(c) (3) of the Internal Revenue Code 27366  
and exempt from federal income taxation under section 501(a) of 27367  
the Internal Revenue Code and that is used by that organization 27368  
exclusively for receiving, processing, or distributing human 27369  
blood, tissues, eyes, or organs or for research and development 27370  
thereof shall be exempt from taxation. 27371

(H) Real property that is owned by an organization 27372  
described under section 501(c) (3) of the Internal Revenue Code 27373  
and exempt from federal income taxation under section 501(a) of 27374  
the Internal Revenue Code and that received a loan from the 27375  
federal small business administration as a participating 27376  
intermediary in the federal microloan program under 15 U.S.C. 27377  
636(m) shall be exempt from taxation if the property is used by 27378  
that organization primarily for small business lending, economic 27379  
development, job training, entrepreneur education, or associated 27380  
administrative purposes as such a participating intermediary. 27381

**Sec. 5709.211.** (A) Before issuing an exempt facility 27382

certificate pursuant to section 5709.21 of the Revised Code, the 27383  
tax commissioner shall provide a copy of a properly completed 27384  
application to, and obtain the opinion of, one of the following 27385  
persons: 27386

(1) The director of environmental protection in the case 27387  
of an exempt facility described in division (B) or (F) of 27388  
section 5709.20 of the Revised Code or, when applicable, 27389  
division (L) of that section; 27390

(2) The director of natural resources in the case of an 27391  
exempt facility described in division (L) of section 5709.20 of 27392  
the Revised Code, when applicable; 27393

(3) The director of housing and development in the case of 27394  
an application for an exempt facility described in division (D), 27395  
(I), or (K) of section 5709.20 of the Revised Code. 27396

The opinion shall provide the commissioner with a 27397  
recommendation of whether the property is primarily designed, 27398  
constructed, installed, and used as an exempt facility. The 27399  
applicant shall provide additional information upon request by 27400  
the tax commissioner, the director of environmental protection, 27401  
the director of natural resources, or the director of housing 27402  
and development, and allow them to inspect the property listed 27403  
in the application for the purposes of sections 5709.20 to 27404  
5709.27 of the Revised Code. The tax commissioner shall provide 27405  
to the applicant a copy of the opinion issued by the director of 27406  
environmental protection, director of natural resources, or 27407  
director of the department of housing and development, as 27408  
applicable. 27409

(B) The opinions of the director of the environmental 27410  
protection agency, the director of natural resources, and the 27411



director of housing and development under division (A) of this 27412  
section or division (C) (4) of section 5709.22 of the Revised 27413  
Code are not final actions or orders subject to appeal. 27414

**Sec. 5709.212.** (A) With every application for an exempt 27415  
facility certificate filed pursuant to section 5709.21 of the 27416  
Revised Code, the applicant shall pay a fee equal to one-half of 27417  
one per cent of the total exempt facility project cost, not to 27418  
exceed two thousand dollars. If the director of environmental 27419  
protection is required to provide the opinion for an 27420  
application, the fee shall be credited to the non-Title V clean 27421  
air fund created in section 3704.035 of the Revised Code for use 27422  
in administering section 5709.211 of the Revised Code, unless 27423  
the application is for an industrial water pollution control 27424  
facility. In such a case, the fee shall be credited to the 27425  
surface water protection fund created in section 6111.038 of the 27426  
Revised Code for use in administering section 5709.211 of the 27427  
Revised Code. If the director of housing and development or 27428  
director of natural resources is required to provide the opinion 27429  
for an application, the fee for each exempt facility application 27430  
shall be credited to the exempt facility inspection fund, which 27431  
is hereby created in the state treasury, for appropriation to 27432  
the department of housing and development ~~services agency or~~ 27433  
department of natural resources, as applicable, for use in 27434  
administering section 5709.211 of the Revised Code. 27435

An applicant is not entitled to any tax exemption under 27436  
section 5709.25 of the Revised Code until the fee required by 27437  
this section is paid. The fee required by this section is not 27438  
refundable, and is due with the application for an exempt 27439  
facility certificate even if an exempt facility certificate 27440  
ultimately is not issued or is withdrawn. Any application 27441  
submitted without payment of the fee shall be deemed incomplete 27442

until the fee is paid. 27443

(B) The application fee imposed under division (A) of this 27444  
section for a jointly owned facility shall be equal to one-half 27445  
of one per cent of the total exempt facility project cost, not 27446  
to exceed two thousand dollars for each facility that is the 27447  
subject of the application. 27448

**Sec. 5709.22.** (A) After receiving an opinion from the 27449  
director of environmental protection, the director of natural 27450  
resources, or the director of housing and development, the tax 27451  
commissioner shall promptly ascertain if an application filed 27452  
under section 5709.21 of the Revised Code shall be allowed or 27453  
disallowed in whole or in part. The commissioner shall give 27454  
written notice of the proposed finding to the applicant and the 27455  
county auditor of the county in which the facility described in 27456  
the application is located. Within sixty days after sending 27457  
written notice of the proposed finding, the applicant or the 27458  
county auditor may file a request for reconsideration, in 27459  
writing, to the commissioner and may request that the 27460  
commissioner conduct a hearing on the application. If no request 27461  
for reconsideration is filed, the commissioner's proposed 27462  
findings shall be final and, if applicable, the commissioner 27463  
shall issue an exempt facility certificate, which shall not be 27464  
subject to appeal pursuant to section 5717.02 of the Revised 27465  
Code. 27466

(B) If a reconsideration of the tax commissioner's 27467  
proposed finding is requested by the applicant or the county 27468  
auditor, the commissioner shall notify the applicant and the 27469  
auditor of the time and place of the hearing, which the 27470  
commissioner may continue from time to time as the commissioner 27471  
finds necessary. The commissioner also shall notify the 27472

environmental protection agency, department of natural 27473  
resources, or department of housing and development, as 27474  
applicable, of the hearing. The environmental protection agency, 27475  
department of natural resources, or department of housing and 27476  
development shall participate in the hearing if requested in 27477  
writing by the commissioner, the applicant, or the county 27478  
auditor. After conducting the hearing, the commissioner shall 27479  
issue a final determination, with a copy of it served on the 27480  
applicant and applicable county auditors in the manner 27481  
prescribed by section 5703.37 of the Revised Code. The final 27482  
determination is subject to appeal pursuant to section 5717.02 27483  
of the Revised Code. Once all appeals are exhausted, the 27484  
commissioner shall issue, if applicable, the exempt facility 27485  
certificate based on the outcome of the appeal. 27486

(C) The tax commissioner, on the commissioner's own 27487  
initiative or on complaint by the county auditor of any county 27488  
in which property to which the exempt facility certificate 27489  
relates is located, shall revoke the certificate, or modify it 27490  
by restricting its operation, if it appears to the commissioner 27491  
that any of the following has occurred: 27492

(1) The certificate was obtained by fraud or 27493  
misrepresentation; 27494

(2) The holder of the certificate has failed substantially 27495  
to proceed with the construction, reconstruction, installation, 27496  
or acquisition of an exempt facility; 27497

(3) The property to which the certificate relates has 27498  
ceased to be used as an exempt facility; 27499

(4) The tax commissioner issued the certificate in error. 27500  
As used in this section, "error" means any of the following: 27501

(a) A clerical or mathematical mistake; 27502

(b) When the commissioner agrees with an opinion from the 27503  
director of environmental protection, the director of natural 27504  
resources, or the director of housing and development that a 27505  
certificate should not have been issued; 27506

(c) When the tax commissioner determines that the issuance 27507  
of the certificate may have been improper as the result of a 27508  
final adjudication by the board of tax appeals, or by a court 27509  
with jurisdiction on appeal from that board, that is adverse to 27510  
the original exempt status of the facility, regardless of 27511  
whether the holder of the certificate was a party to such 27512  
adjudication. 27513

(D) If the revocation or modification of a certificate 27514  
under division (C) (4) of this section is an action found to be 27515  
frivolous for the purposes of section 5703.54 of the Revised 27516  
Code the certificate holder may claim damages as provided under 27517  
division (B) of that section. 27518

(E) Upon service of notice to the holder of an exempt 27519  
facility certificate, in the manner provided in section 5703.37 27520  
of the Revised Code, of the tax commissioner's revocation or 27521  
modification of the certificate under division (C) of this 27522  
section, the certificate shall cease to be in force or shall 27523  
remain in force only as modified, as the case may require. The 27524  
notice is subject to appeal under section 5717.02 of the Revised 27525  
Code. Once all appeals are exhausted, the commissioner shall 27526  
issue a modified certificate, if applicable, and the holder of 27527  
the certificate shall be allowed to claim a refund within one 27528  
hundred eighty days, notwithstanding any other time limitation 27529  
provided by law of the taxes paid as a result of the certificate 27530  
being revoked or modified. 27531

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|---|--|
| <b>Sec. 5709.40.</b> (A) As used in this section:   | 27532  |
| (1) "Blighted area" and "impacted city" have the same meanings as in section 1728.01 of the Revised Code.   | 27533<br>27534                                     |
| (2) "Business day" means a day of the week excluding Saturday, Sunday, and a legal holiday as defined under section 1.14 of the Revised Code.   | 27535<br>27536<br>27537                            |
| (3) "Housing renovation" means a project carried out for residential purposes.  | 27538<br>27539                                     |
| (4) "Improvement" means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of an ordinance adopted under this section were it not for the exemption granted by that ordinance.  | 27540<br>27541<br>27542<br>27543<br>27544          |
| (5) "Incentive district" means an area not more than three hundred acres in size enclosed by a continuous boundary in which a project is being, or will be, undertaken and having one or more of the following distress characteristics:  | 27545<br>27546<br>27547<br>27548                   |
| (a) At least fifty-one per cent of the residents of the district have incomes of less than eighty per cent of the median income of residents of the political subdivision in which the district is located, as determined in the same manner specified under section 119(b) of the "Housing and Community Development Act of 1974," 88 Stat. 633, 42 U.S.C. 5318, as amended; | 27549<br>27550<br>27551<br>27552<br>27553<br>27554 |
| (b) The average rate of unemployment in the district during the most recent twelve-month period for which data are available is equal to at least one hundred fifty per cent of the average rate of unemployment for this state for the same period.  | 27555<br>27556<br>27557<br>27558                   |
| (c) At least twenty per cent of the people residing in the  | 27559  |

district live at or below the poverty level as defined in the 27560  
federal Housing and Community Development Act of 1974, 42 U.S.C. 27561  
5301, as amended, and regulations adopted pursuant to that act. 27562

(d) The district is a blighted area. 27563

(e) The district is in a situational distress area as 27564  
designated by the director of housing and development under 27565  
division (F) of section 122.23 of the Revised Code. 27566

(f) As certified by the engineer for the political 27567  
subdivision, the public infrastructure serving the district is 27568  
inadequate to meet the development needs of the district as 27569  
evidenced by a written economic development plan or urban 27570  
renewal plan for the district that has been adopted by the 27571  
legislative authority of the subdivision. 27572

(g) The district is comprised entirely of unimproved land 27573  
that is located in a distressed area as defined in section 27574  
122.23 of the Revised Code. 27575

(6) "Overlay" means an area of not more than three hundred 27576  
acres that is a square, or that is a rectangle having two longer 27577  
sides that are not more than twice the length of the two shorter 27578  
sides, that the legislative authority of a municipal corporation 27579  
delineates on a map of a proposed incentive district. 27580

(7) "Project" means development activities undertaken on 27581  
one or more parcels, including, but not limited to, 27582  
construction, expansion, and alteration of buildings or 27583  
structures, demolition, remediation, and site development, and 27584  
any building or structure that results from those activities. 27585

(8) "Public infrastructure improvement" includes, but is 27586  
not limited to, public roads and highways; water and sewer 27587  
lines; the continued maintenance of those public roads and 27588

highways and water and sewer lines; environmental remediation; 27589  
land acquisition, including acquisition in aid of industry, 27590  
commerce, distribution, or research; demolition, including 27591  
demolition on private property when determined to be necessary 27592  
for economic development purposes; stormwater and flood 27593  
remediation projects, including such projects on private 27594  
property when determined to be necessary for public health, 27595  
safety, and welfare; the provision of gas, electric, and 27596  
communications service facilities, including the provision of 27597  
gas or electric service facilities owned by nongovernmental 27598  
entities when such improvements are determined to be necessary 27599  
for economic development purposes; the enhancement of public 27600  
waterways through improvements that allow for greater public 27601  
access; and off-street parking facilities, including those in 27602  
which all or a portion of the parking spaces are reserved for 27603  
specific uses when determined to be necessary for economic 27604  
development purposes. 27605

(9) "Nonperforming parcel" means a parcel to which all of 27606  
the following apply: 27607

(a) The parcel is exempted from taxation under division 27608  
(B) of this section or has been included in a district created 27609  
under division (C) of this section. 27610

(b) The parcel's owner is required to make payments in 27611  
lieu of taxes in accordance with section 5709.42 of the Revised 27612  
Code. 27613

(c) No such payments have been remitted to the county 27614  
treasurer since the inception of the exemption or district. 27615

(B) The legislative authority of a municipal corporation, 27616  
by ordinance, may declare improvements to certain parcels of 27617

real property located in the municipal corporation to be a 27618  
public purpose. Improvements with respect to a parcel that is 27619  
used or to be used for residential purposes may be declared a 27620  
public purpose under this division only if the parcel is located 27621  
in a blighted area of an impacted city. For this purpose, 27622  
"parcel that is used or to be used for residential purposes" 27623  
means a parcel that, as improved, is used or to be used for 27624  
purposes that would cause the tax commissioner to classify the 27625  
parcel as residential property in accordance with rules adopted 27626  
by the commissioner under section 5713.041 of the Revised Code. 27627  
Except as otherwise provided under division (D) of this section 27628  
or section 5709.51 of the Revised Code, not more than seventy- 27629  
five per cent of an improvement thus declared to be a public 27630  
purpose may be exempted from real property taxation for a period 27631  
of not more than ten years. The ordinance shall specify the 27632  
percentage of the improvement to be exempted from taxation and 27633  
the life of the exemption. 27634

An ordinance adopted or amended under this division shall 27635  
designate the specific public infrastructure improvements made, 27636  
to be made, or in the process of being made by the municipal 27637  
corporation that directly benefit, or that once made will 27638  
directly benefit, the parcels for which improvements are 27639  
declared to be a public purpose. The service payments provided 27640  
for in section 5709.42 of the Revised Code shall be used to 27641  
finance the public infrastructure improvements designated in the 27642  
ordinance, for the purpose described in division (D) (1) of this 27643  
section or as provided in section 5709.43 of the Revised Code. 27644

(C) (1) The legislative authority of a municipal 27645  
corporation may adopt an ordinance creating an incentive 27646  
district and declaring improvements to parcels within the 27647  
district to be a public purpose and, except as provided in 27648



division (C) (2) of this section, exempt from taxation as 27649  
provided in this section, but no legislative authority of a 27650  
municipal corporation that has a population that exceeds twenty- 27651  
five thousand, as shown by the most recent federal decennial 27652  
census, shall adopt an ordinance that creates an incentive 27653  
district if the sum of the taxable value of real property in the 27654  
proposed district for the preceding tax year and the taxable 27655  
value of all real property in the municipal corporation that 27656  
would have been taxable in the preceding year were it not for 27657  
the fact that the property was in an existing incentive district 27658  
and therefore exempt from taxation exceeds twenty-five per cent 27659  
of the taxable value of real property in the municipal 27660  
corporation for the preceding tax year. The ordinance shall 27661  
delineate the boundary of the proposed district and specifically 27662  
identify each parcel within the district. A proposed district 27663  
may not include any parcel, other than a nonperforming parcel, 27664  
that is or has been exempted from taxation under division (B) of 27665  
this section or that is or has been within another district 27666  
created under this division. On and after the effective date of 27667  
the district, a nonperforming parcel within the district is no 27668  
longer exempted from taxation under division (B) of this section 27669  
or included within an incentive district under any previous 27670  
ordinance, and the parcel's owner is no longer required to make 27671  
payments in lieu of taxes under such a previous ordinance in 27672  
accordance with section 5709.42 of the Revised Code. Any 27673  
exemption application filed with the tax commissioner under 27674  
section 5715.27 of the Revised Code under the second ordinance 27675  
shall identify the nonperforming parcels included in the second 27676  
district, the original ordinance under which the nonperforming 27677  
parcels were originally exempted, and the value history of each 27678  
nonperforming parcel since the enactment of the original 27679  
ordinance. An ordinance may create more than one such district, 27680

and more than one ordinance may be adopted under division (C) (1) 27681  
of this section. 27682

(2) (a) Not later than thirty days prior to adopting an 27683  
ordinance under division (C) (1) of this section, if the 27684  
municipal corporation intends to apply for exemptions from 27685  
taxation under section 5709.911 of the Revised Code on behalf of 27686  
owners of real property located within the proposed incentive 27687  
district, the legislative authority of the municipal corporation 27688  
shall conduct a public hearing on the proposed ordinance. Not 27689  
later than thirty days prior to the public hearing, the 27690  
legislative authority shall give notice of the public hearing 27691  
and the proposed ordinance by first class mail to every real 27692  
property owner whose property is located within the boundaries 27693  
of the proposed incentive district that is the subject of the 27694  
proposed ordinance. The notice shall include a map of the 27695  
proposed incentive district on which the legislative authority 27696  
of the municipal corporation shall have delineated an overlay. 27697  
The notice shall inform the property owner of the owner's right 27698  
to exclude the owner's property from the incentive district if 27699  
the owner's entire parcel of property will not be located within 27700  
the overlay, by submitting a written response in accordance with 27701  
division (C) (2) (b) of this section. The notice also shall 27702  
include information detailing the required contents of the 27703  
response, the address to which the response may be mailed, and 27704  
the deadline for submitting the response. 27705

(b) Any owner of real property located within the 27706  
boundaries of an incentive district proposed under division (C) 27707  
(1) of this section whose entire parcel of property is not 27708  
located within the overlay may exclude the property from the 27709  
proposed incentive district by submitting a written response to 27710  
the legislative authority of the municipal corporation not later 27711

than forty-five days after the postmark date on the notice 27712  
required under division (C) (2) (a) of this section. The response 27713  
shall be sent by first class mail or delivered in person at a 27714  
public hearing held by the legislative authority under division 27715  
(C) (2) (a) of this section. The response shall conform to any 27716  
content requirements that may be established by the municipal 27717  
corporation and included in the notice provided under division 27718  
(C) (2) (a) of this section. In the response, property owners may 27719  
identify a parcel by street address, by the manner in which it 27720  
is identified in the ordinance, or by other means allowing the 27721  
identity of the parcel to be ascertained. 27722

(c) Before adopting an ordinance under division (C) (1) of 27723  
this section, the legislative authority of a municipal 27724  
corporation shall amend the ordinance to exclude any parcel 27725  
located wholly or partly outside the overlay for which a written 27726  
response has been submitted under division (C) (2) (b) of this 27727  
section. A municipal corporation shall not apply for exemptions 27728  
from taxation under section 5709.911 of the Revised Code for any 27729  
such parcel, and service payments may not be required from the 27730  
owner of the parcel. Improvements to a parcel excluded from an 27731  
incentive district under this division may be exempted from 27732  
taxation under division (B) of this section pursuant to an 27733  
ordinance adopted under that division or under any other section 27734  
of the Revised Code under which the parcel qualifies. 27735

(3) (a) An ordinance adopted under division (C) (1) of this 27736  
section shall specify the life of the incentive district and the 27737  
percentage of the improvements to be exempted, shall designate 27738  
the public infrastructure improvements made, to be made, or in 27739  
the process of being made, that benefit or serve, or, once made, 27740  
will benefit or serve parcels in the district. The ordinance 27741  
also shall identify one or more specific projects being, or to 27742

be, undertaken in the district that place additional demand on 27743  
the public infrastructure improvements designated in the 27744  
ordinance. The project identified may, but need not be, the 27745  
project under division (C) (3) (b) of this section that places 27746  
real property in use for commercial or industrial purposes. 27747  
Except as otherwise permitted under that division, the service 27748  
payments provided for in section 5709.42 of the Revised Code 27749  
shall be used to finance the designated public infrastructure 27750  
improvements, for the purpose described in division (D) (1), (E), 27751  
or (F) of this section, or as provided in section 5709.43 of the 27752  
Revised Code. 27753

An ordinance adopted under division (C) (1) of this section 27754  
on or after March 30, 2006, shall not designate police or fire 27755  
equipment as public infrastructure improvements, and no service 27756  
payment provided for in section 5709.42 of the Revised Code and 27757  
received by the municipal corporation under the ordinance shall 27758  
be used for police or fire equipment. 27759

(b) An ordinance adopted under division (C) (1) of this 27760  
section may authorize the use of service payments provided for 27761  
in section 5709.42 of the Revised Code for the purpose of 27762  
housing renovations within the incentive district, provided that 27763  
the ordinance also designates public infrastructure improvements 27764  
that benefit or serve the district, and that a project within 27765  
the district places real property in use for commercial or 27766  
industrial purposes. Service payments may be used to finance or 27767  
support loans, deferred loans, and grants to persons for the 27768  
purpose of housing renovations within the district. The 27769  
ordinance shall designate the parcels within the district that 27770  
are eligible for housing renovation. The ordinance shall state 27771  
separately the amounts or the percentages of the expected 27772  
aggregate service payments that are designated for each public 27773

infrastructure improvement and for the general purpose of 27774  
housing renovations. 27775

(4) Except with the approval of the board of education of 27776  
each city, local, or exempted village school district within the 27777  
territory of which the incentive district is or will be located, 27778  
and subject to division (E) of this section, the life of an 27779  
incentive district shall not exceed ten years, and the 27780  
percentage of improvements to be exempted shall not exceed 27781  
seventy-five per cent. With approval of the board of education, 27782  
the life of a district may be not more than thirty years, and 27783  
the percentage of improvements to be exempted may be not more 27784  
than one hundred per cent. The approval of a board of education 27785  
shall be obtained in the manner provided in division (D) of this 27786  
section. 27787

(D) (1) If the ordinance declaring improvements to a parcel 27788  
to be a public purpose or creating an incentive district 27789  
specifies that payments in lieu of taxes provided for in section 27790  
5709.42 of the Revised Code shall be paid to the city, local, or 27791  
exempted village, and joint vocational school district in which 27792  
the parcel or incentive district is located in the amount of the 27793  
taxes that would have been payable to the school district if the 27794  
improvements had not been exempted from taxation, the percentage 27795  
of the improvement that may be exempted from taxation may exceed 27796  
seventy-five per cent, and the exemption may be granted for up 27797  
to thirty years, without the approval of the board of education 27798  
as otherwise required under division (D) (2) of this section. 27799

(2) Improvements with respect to a parcel may be exempted 27800  
from taxation under division (B) of this section, and 27801  
improvements to parcels within an incentive district may be 27802  
exempted from taxation under division (C) of this section, for 27803

up to ten years or, with the approval under this paragraph of 27804  
the board of education of the city, local, or exempted village 27805  
school district within which the parcel or district is located, 27806  
for up to thirty years. The percentage of the improvement 27807  
exempted from taxation may, with such approval, exceed seventy- 27808  
five per cent, but shall not exceed one hundred per cent. Not 27809  
later than forty-five business days prior to adopting an 27810  
ordinance under this section declaring improvements to be a 27811  
public purpose that is subject to approval by a board of 27812  
education under this division, the legislative authority shall 27813  
deliver to the board of education a notice stating its intent to 27814  
adopt an ordinance making that declaration. The notice regarding 27815  
improvements with respect to a parcel under division (B) of this 27816  
section shall identify the parcels for which improvements are to 27817  
be exempted from taxation, provide an estimate of the true value 27818  
in money of the improvements, specify the period for which the 27819  
improvements would be exempted from taxation and the percentage 27820  
of the improvement that would be exempted, and indicate the date 27821  
on which the legislative authority intends to adopt the 27822  
ordinance. The notice regarding improvements to parcels within 27823  
an incentive district under division (C) of this section shall 27824  
delineate the boundaries of the district, specifically identify 27825  
each parcel within the district, identify each anticipated 27826  
improvement in the district, provide an estimate of the true 27827  
value in money of each such improvement, specify the life of the 27828  
district and the percentage of improvements that would be 27829  
exempted, and indicate the date on which the legislative 27830  
authority intends to adopt the ordinance. The board of 27831  
education, by resolution adopted by a majority of the board, may 27832  
approve the exemption for the period or for the exemption 27833  
percentage specified in the notice; may disapprove the exemption 27834  
for the number of years in excess of ten, may disapprove the 27835

exemption for the percentage of the improvement to be exempted 27836  
in excess of seventy-five per cent, or both; or may approve the 27837  
exemption on the condition that the legislative authority and 27838  
the board negotiate an agreement providing for compensation to 27839  
the school district equal in value to a percentage of the amount 27840  
of taxes exempted in the eleventh and subsequent years of the 27841  
exemption period or, in the case of exemption percentages in 27842  
excess of seventy-five per cent, compensation equal in value to 27843  
a percentage of the taxes that would be payable on the portion 27844  
of the improvement in excess of seventy-five per cent were that 27845  
portion to be subject to taxation, or other mutually agreeable 27846  
compensation. If an agreement is negotiated between the 27847  
legislative authority and the board to compensate the school 27848  
district for all or part of the taxes exempted, including 27849  
agreements for payments in lieu of taxes under section 5709.42 27850  
of the Revised Code, the legislative authority shall compensate 27851  
the joint vocational school district within which the parcel or 27852  
district is located at the same rate and under the same terms 27853  
received by the city, local, or exempted village school 27854  
district. 27855

(3) The board of education shall certify its resolution to 27856  
the legislative authority not later than fourteen days prior to 27857  
the date the legislative authority intends to adopt the 27858  
ordinance as indicated in the notice. If the board of education 27859  
and the legislative authority negotiate a mutually acceptable 27860  
compensation agreement, the ordinance may declare the 27861  
improvements a public purpose for the number of years specified 27862  
in the ordinance or, in the case of exemption percentages in 27863  
excess of seventy-five per cent, for the exemption percentage 27864  
specified in the ordinance. In either case, if the board and the 27865  
legislative authority fail to negotiate a mutually acceptable 27866

compensation agreement, the ordinance may declare the 27867  
improvements a public purpose for not more than ten years, and 27868  
shall not exempt more than seventy-five per cent of the 27869  
improvements from taxation. If the board fails to certify a 27870  
resolution to the legislative authority within the time 27871  
prescribed by this division, the legislative authority thereupon 27872  
may adopt the ordinance and may declare the improvements a 27873  
public purpose for up to thirty years, or, in the case of 27874  
exemption percentages proposed in excess of seventy-five per 27875  
cent, for the exemption percentage specified in the ordinance. 27876  
The legislative authority may adopt the ordinance at any time 27877  
after the board of education certifies its resolution approving 27878  
the exemption to the legislative authority, or, if the board 27879  
approves the exemption on the condition that a mutually 27880  
acceptable compensation agreement be negotiated, at any time 27881  
after the compensation agreement is agreed to by the board and 27882  
the legislative authority. 27883

(4) If a board of education has adopted a resolution 27884  
waiving its right to approve exemptions from taxation under this 27885  
section and the resolution remains in effect, approval of 27886  
exemptions by the board is not required under division (D) of 27887  
this section. If a board of education has adopted a resolution 27888  
allowing a legislative authority to deliver the notice required 27889  
under division (D) of this section fewer than forty-five 27890  
business days prior to the legislative authority's adoption of 27891  
the ordinance, the legislative authority shall deliver the 27892  
notice to the board not later than the number of days prior to 27893  
such adoption as prescribed by the board in its resolution. If a 27894  
board of education adopts a resolution waiving its right to 27895  
approve agreements or shortening the notification period, the 27896  
board shall certify a copy of the resolution to the legislative 27897



authority. If the board of education rescinds such a resolution, 27898  
it shall certify notice of the rescission to the legislative 27899  
authority. 27900

(5) If the legislative authority is not required by 27901  
division (D) of this section to notify the board of education of 27902  
the legislative authority's intent to declare improvements to be 27903  
a public purpose, the legislative authority shall comply with 27904  
the notice requirements imposed under section 5709.83 of the 27905  
Revised Code, unless the board has adopted a resolution under 27906  
that section waiving its right to receive such a notice. 27907

(6) Nothing in division (D) of this section prohibits the 27908  
legislative authority of a municipal corporation from amending 27909  
the ordinance or resolution under section 5709.51 of the Revised 27910  
Code to extend the term of the exemption. 27911

(E) (1) If a proposed ordinance under division (C) (1) of 27912  
this section exempts improvements with respect to a parcel 27913  
within an incentive district for more than ten years, or the 27914  
percentage of the improvement exempted from taxation exceeds 27915  
seventy-five per cent, not later than forty-five business days 27916  
prior to adopting the ordinance the legislative authority of the 27917  
municipal corporation shall deliver to the board of county 27918  
commissioners of the county within which the incentive district 27919  
will be located a notice that states its intent to adopt an 27920  
ordinance creating an incentive district. The notice shall 27921  
include a copy of the proposed ordinance, identify the parcels 27922  
for which improvements are to be exempted from taxation, provide 27923  
an estimate of the true value in money of the improvements, 27924  
specify the period of time for which the improvements would be 27925  
exempted from taxation, specify the percentage of the 27926  
improvements that would be exempted from taxation, and indicate 27927

the date on which the legislative authority intends to adopt the 27928  
ordinance. 27929

(2) The board of county commissioners, by resolution 27930  
adopted by a majority of the board, may object to the exemption 27931  
for the number of years in excess of ten, may object to the 27932  
exemption for the percentage of the improvement to be exempted 27933  
in excess of seventy-five per cent, or both. If the board of 27934  
county commissioners objects, the board may negotiate a mutually 27935  
acceptable compensation agreement with the legislative 27936  
authority. In no case shall the compensation provided to the 27937  
board exceed the property taxes forgone due to the exemption. If 27938  
the board of county commissioners objects, and the board and 27939  
legislative authority fail to negotiate a mutually acceptable 27940  
compensation agreement, the ordinance adopted under division (C) 27941  
(1) of this section shall provide to the board compensation in 27942  
the eleventh and subsequent years of the exemption period equal 27943  
in value to not more than fifty per cent of the taxes that would 27944  
be payable to the county or, if the board's objection includes 27945  
an objection to an exemption percentage in excess of seventy- 27946  
five per cent, compensation equal in value to not more than 27947  
fifty per cent of the taxes that would be payable to the county, 27948  
on the portion of the improvement in excess of seventy-five per 27949  
cent, were that portion to be subject to taxation. The board of 27950  
county commissioners shall certify its resolution to the 27951  
legislative authority not later than thirty days after receipt 27952  
of the notice. 27953

(3) If the board of county commissioners does not object 27954  
or fails to certify its resolution objecting to an exemption 27955  
within thirty days after receipt of the notice, the legislative 27956  
authority may adopt the ordinance, and no compensation shall be 27957  
provided to the board of county commissioners. If the board 27958

timely certifies its resolution objecting to the ordinance, the 27959  
legislative authority may adopt the ordinance at any time after 27960  
a mutually acceptable compensation agreement is agreed to by the 27961  
board and the legislative authority, or, if no compensation 27962  
agreement is negotiated, at any time after the legislative 27963  
authority agrees in the proposed ordinance to provide 27964  
compensation to the board of fifty per cent of the taxes that 27965  
would be payable to the county in the eleventh and subsequent 27966  
years of the exemption period or on the portion of the 27967  
improvement in excess of seventy-five per cent, were that 27968  
portion to be subject to taxation. 27969

(F) Service payments in lieu of taxes that are 27970  
attributable to any amount by which the effective tax rate of 27971  
either a renewal levy with an increase or a replacement levy 27972  
exceeds the effective tax rate of the levy renewed or replaced, 27973  
or that are attributable to an additional levy, for a levy 27974  
authorized by the voters for any of the following purposes on or 27975  
after January 1, 2006, and which are provided pursuant to an 27976  
ordinance creating an incentive district under division (C) (1) 27977  
of this section that is adopted on or after January 1, 2006, or 27978  
a later date as specified in this division, shall be distributed 27979  
to the appropriate taxing authority as required under division 27980  
(C) of section 5709.42 of the Revised Code in an amount equal to 27981  
the amount of taxes from that additional levy or from the 27982  
increase in the effective tax rate of such renewal or 27983  
replacement levy that would have been payable to that taxing 27984  
authority from the following levies were it not for the 27985  
exemption authorized under division (C) of this section: 27986

(1) A tax levied under division (L) of section 5705.19 or 27987  
section 5705.191 or 5705.222 of the Revised Code for community 27988  
developmental disabilities programs and services pursuant to 27989

|  |                                  |
|--|----------------------------------|
| Chapter 5126. of the Revised Code;   | 27990                            |
| (2) A tax levied under division (Y) of section 5705.19 of the Revised Code for providing or maintaining senior citizens services or facilities;  | 27991<br>27992<br>27993          |
| (3) A tax levied under section 5705.22 of the Revised Code for county hospitals;   | 27994<br>27995                   |
| (4) A tax levied by a joint-county district or by a county under section 5705.19, 5705.191, or 5705.221 of the Revised Code for alcohol, drug addiction, and mental health services or facilities;                                   | 27996<br>27997<br>27998<br>27999 |
| (5) A tax levied under section 5705.23 of the Revised Code for library purposes;   | 28000<br>28001                   |
| (6) A tax levied under section 5705.24 of the Revised Code for the support of children services and the placement and care of children;  | 28002<br>28003<br>28004          |
| (7) A tax levied under division (Z) of section 5705.19 of the Revised Code for the provision and maintenance of zoological park services and facilities under section 307.76 of the Revised Code;                                    | 28005<br>28006<br>28007<br>28008 |
| (8) A tax levied under section 511.27 or division (H) of section 5705.19 of the Revised Code for the support of township park districts;   | 28009<br>28010<br>28011          |
| (9) A tax levied under division (A), (F), or (H) of section 5705.19 of the Revised Code for parks and recreational purposes of a joint recreation district organized pursuant to division (B) of section 755.14 of the Revised Code; | 28012<br>28013<br>28014<br>28015 |
| (10) A tax levied under section 1545.20 or 1545.21 of the Revised Code for park district purposes;   | 28016<br>28017                   |

(11) A tax levied under section 5705.191 of the Revised Code for the purpose of making appropriations for public assistance; human or social services; public relief; public welfare; public health and hospitalization; and support of general hospitals;

(12) A tax levied under section 3709.29 of the Revised Code for a general health district program.

(13) A tax levied by a township under section 505.39, division (I) of section 5705.19, or division (JJ) of section 5705.19 of the Revised Code to the extent the proceeds are used for the purposes described in division (I) of that section, for the purpose of funding fire, emergency medical, and ambulance services as described in that section and those divisions. Division (F) (13) of this section applies only if the township levying the tax provides fire, emergency medical, or ambulance services in the incentive district, and only to incentive districts created by an ordinance adopted on or after the effective date of the amendment of this section by H.B. 69 of the 132nd general assembly, March 23, 2018. The board of township trustees may, by resolution, waive the application of this division or negotiate with the municipal corporation that created the district for a lesser amount of payments in lieu of taxes.

(G) An exemption from taxation granted under this section commences with the tax year specified in the ordinance so long as the year specified in the ordinance commences after the effective date of the ordinance. If the ordinance specifies a year commencing before the effective date of the resolution or specifies no year whatsoever, the exemption commences with the tax year in which an exempted improvement first appears on the

tax list and duplicate of real and public utility property and 28048  
that commences after the effective date of the ordinance. In 28049  
lieu of stating a specific year, the ordinance may provide that 28050  
the exemption commences in the tax year in which the value of an 28051  
improvement exceeds a specified amount or in which the 28052  
construction of one or more improvements is completed, provided 28053  
that such tax year commences after the effective date of the 28054  
ordinance. With respect to the exemption of improvements to 28055  
parcels under division (B) of this section, the ordinance may 28056  
allow for the exemption to commence in different tax years on a 28057  
parcel-by-parcel basis, with a separate exemption term specified 28058  
for each parcel. 28059

Except as otherwise provided in this division or section 28060  
5709.51 of the Revised Code, the exemption ends on the date 28061  
specified in the ordinance as the date the improvement ceases to 28062  
be a public purpose or the incentive district expires, or ends 28063  
on the date on which the public infrastructure improvements and 28064  
housing renovations are paid in full from the municipal public 28065  
improvement tax increment equivalent fund established under 28066  
division (A) of section 5709.43 of the Revised Code, whichever 28067  
occurs first. The exemption of an improvement with respect to a 28068  
parcel or within an incentive district may end on a later date, 28069  
as specified in the ordinance, if the legislative authority and 28070  
the board of education of the city, local, or exempted village 28071  
school district within which the parcel or district is located 28072  
have entered into a compensation agreement under section 5709.82 28073  
of the Revised Code with respect to the improvement, and the 28074  
board of education has approved the term of the exemption under 28075  
division (D) (2) of this section, but in no case shall the 28076  
improvement be exempted from taxation for more than thirty 28077  
years. Exemptions shall be claimed and allowed in the same 28078

manner as in the case of other real property exemptions. If an 28079  
exemption status changes during a year, the procedure for the 28080  
apportionment of the taxes for that year is the same as in the 28081  
case of other changes in tax exemption status during the year. 28082

(H) Additional municipal financing of public 28083  
infrastructure improvements and housing renovations may be 28084  
provided by any methods that the municipal corporation may 28085  
otherwise use for financing such improvements or renovations. If 28086  
the municipal corporation issues bonds or notes to finance the 28087  
public infrastructure improvements and housing renovations and 28088  
pledges money from the municipal public improvement tax 28089  
increment equivalent fund to pay the interest on and principal 28090  
of the bonds or notes, the bonds or notes are not subject to 28091  
Chapter 133. of the Revised Code. 28092

(I) The municipal corporation, not later than fifteen days 28093  
after the adoption of an ordinance under this section, shall 28094  
submit to the director of housing and development a copy of the 28095  
ordinance. On or before the thirty-first day of March of each 28096  
year, the municipal corporation shall submit a status report to 28097  
the director. The report shall indicate, in the manner 28098  
prescribed by the director, the progress of the project during 28099  
each year that an exemption remains in effect, including a 28100  
summary of the receipts from service payments in lieu of taxes; 28101  
expenditures of money from the funds created under section 28102  
5709.43 of the Revised Code; a description of the public 28103  
infrastructure improvements and housing renovations financed 28104  
with such expenditures; and a quantitative summary of changes in 28105  
employment and private investment resulting from each project. 28106

(J) Nothing in this section shall be construed to prohibit 28107  
a legislative authority from declaring to be a public purpose 28108

improvements with respect to more than one parcel. 28109

(K) If a parcel is located in a new community district in 28110  
which the new community authority imposes a community 28111  
development charge on the basis of rentals received from leases 28112  
of real property as described in division (L) (2) of section 28113  
349.01 of the Revised Code, the parcel may not be exempted from 28114  
taxation under this section. 28115

(L) (1) Notwithstanding the limitations on the life of an 28116  
incentive district and the number of years that improvements to 28117  
a parcel or parcels within an incentive district may be exempted 28118  
from taxation prescribed by divisions (C) and (D) of this 28119  
section, the legislative authority of a municipal corporation 28120  
may amend an ordinance originally adopted under division (C) of 28121  
this section before January 1, 2006, to extend the life of an 28122  
incentive district created by that ordinance. The extension 28123  
shall be for a period not to exceed fifteen years and shall not 28124  
increase the percentage of the value of improvements exempted 28125  
from taxation. 28126

(2) Before adopting an amendment authorized by division 28127  
(L) (1) of this section, the legislative authority of the 28128  
municipal corporation shall provide notice of the amendment to 28129  
each board of education of the city, local, or exempted village 28130  
school district in which the incentive district is located, in 28131  
the same manner as provided under division (D) of this section, 28132  
and shall obtain the approval of each such board in the manner 28133  
required under that division, except both of the following 28134  
apply: 28135

(a) The board of education may approve the exemption on 28136  
the condition that the legislative authority and the board 28137  
negotiate an agreement providing for mutually agreeable 28138



compensation to the school district. 28139

(b) If the board of education fails to certify a 28140  
resolution approving the amendment to the legislative authority 28141  
within the time prescribed by division (D) of this section, the 28142  
legislative authority shall not adopt the amendment authorized 28143  
under division (L) of this section. 28144

(3) No approval otherwise required by division (L) (2) of 28145  
this section shall be required from a board of education if 28146  
either of the following apply: 28147

(a) The amendment provides for compensation to the city, 28148  
local, or exempted village school district in which the 28149  
incentive district is located equal in value to the amount of 28150  
taxes that would be payable to the school district if the 28151  
improvements exempted from taxation had not been exempted for 28152  
the additional period. 28153

(b) The board of education has adopted a resolution 28154  
waiving its right to approve exemptions from taxation pursuant 28155  
to division (D) (4) of this section. If the board has adopted 28156  
such a resolution, the municipal corporation shall comply with 28157  
the notice requirements imposed by section 5709.83 of the 28158  
Revised Code before taking formal action to adopt an amendment 28159  
authorized under division (L) (1) of this section unless the 28160  
board has adopted a resolution under that section waiving its 28161  
right to receive that notice. 28162

(4) Not later than fourteen days before adopting an 28163  
amendment authorized by division (L) (1) of this section, the 28164  
legislative authority of the municipal corporation shall deliver 28165  
a notice identical to a notice required under section 5709.83 of 28166  
the Revised Code to the board of county commissioners of each 28167

county in which the incentive district is located. 28168

**Sec. 5709.41.** (A) As used in this section: 28169

(1) "Business day" means a day of the week excluding 28170  
Saturday, Sunday, and a legal holiday as defined under section 28171  
1.14 of the Revised Code. 28172

(2) "Improvement" means the increase in assessed value of 28173  
any parcel of property subsequent to the acquisition of the 28174  
parcel by a municipal corporation engaged in urban redevelopment 28175  
or by a township engaged in redevelopment. 28176

(B) The legislative authority of a municipal corporation 28177  
or township, by ordinance or resolution, may declare to be a 28178  
public purpose any improvement to a parcel of real property if 28179  
both of the following apply: 28180

(1) The municipal corporation or township held fee title 28181  
to the parcel prior to the adoption of the ordinance or 28182  
resolution; 28183

(2) The parcel is leased, or the fee of the parcel is 28184  
conveyed, to any person either before or after adoption of the 28185  
ordinance or resolution. 28186

Improvements used or to be used for residential purposes 28187  
may be declared a public purpose under this section only if the 28188  
parcel is located in a blighted area of an impacted city, in the 28189  
case of a municipal corporation, or in a blighted area, in the 28190  
case of a township, as those terms are defined in section 28191  
1728.01 of the Revised Code. For this purpose, "parcel that is 28192  
used or to be used for residential purposes" means a parcel 28193  
that, as improved, is used or to be used for purposes that would 28194  
cause the tax commissioner to classify the parcel as residential 28195  
property in accordance with rules adopted by the commissioner 28196

under section 5713.041 of the Revised Code. 28197

(C) Except as otherwise provided in division (C) (1), (2), 28198  
or (3) of this section, not more than seventy-five per cent of 28199  
an improvement thus declared to be a public purpose may be 28200  
exempted from real property taxation. The ordinance or 28201  
resolution shall specify the percentage of the improvement to be 28202  
exempted from taxation. If a parcel is located in a new 28203  
community district in which the new community authority imposes 28204  
a community development charge on the basis of rentals received 28205  
from leases of real property as described in division (L) (2) of 28206  
section 349.01 of the Revised Code, the parcel may not be 28207  
exempted from taxation under this section. 28208

(1) If the ordinance or resolution declaring improvements 28209  
to a parcel to be a public purpose specifies that payments in 28210  
lieu of taxes provided for in section 5709.42 or 5709.74 of the 28211  
Revised Code shall be paid to the city, local, or exempted 28212  
village school district in which the parcel is located in the 28213  
amount of the taxes that would have been payable to the school 28214  
district if the improvements had not been exempted from 28215  
taxation, the percentage of the improvement that may be exempted 28216  
from taxation may exceed seventy-five per cent, and the 28217  
exemption may be granted for up to thirty years, without the 28218  
approval of the board of education as otherwise required under 28219  
division (C) (2) of this section. 28220

(2) Improvements may be exempted from taxation for up to 28221  
ten years or, with the approval of the board of education of the 28222  
city, local, or exempted village school district within the 28223  
territory of which the improvements are or will be located, for 28224  
up to thirty years. The percentage of the improvement exempted 28225  
from taxation may, with such approval, exceed seventy-five per 28226

cent, but shall not exceed one hundred per cent. Not later than 28227  
forty-five business days prior to adopting an ordinance or 28228  
resolution under this section, the legislative authority shall 28229  
deliver to the board of education a notice stating its intent to 28230  
declare improvements to be a public purpose under this section. 28231  
The notice shall describe the parcel and the improvements, 28232  
provide an estimate of the true value in money of the 28233  
improvements, specify the period for which the improvements 28234  
would be exempted from taxation and the percentage of the 28235  
improvements that would be exempted, and indicate the date on 28236  
which the legislative authority intends to adopt the ordinance 28237  
or resolution. The board of education, by resolution adopted by 28238  
a majority of the board, may approve the exemption for the 28239  
period or for the exemption percentage specified in the notice, 28240  
may disapprove the exemption for the number of years in excess 28241  
of ten, may disapprove the exemption for the percentage of the 28242  
improvements to be exempted in excess of seventy-five per cent, 28243  
or both, or may approve the exemption on the condition that the 28244  
legislative authority and the board negotiate an agreement 28245  
providing for compensation to the school district equal in value 28246  
to a percentage of the amount of taxes exempted in the eleventh 28247  
and subsequent years of the exemption period, or, in the case of 28248  
exemption percentages in excess of seventy-five per cent, 28249  
compensation equal in value to a percentage of the taxes that 28250  
would be payable on the portion of the improvement in excess of 28251  
seventy-five per cent were that portion to be subject to 28252  
taxation. The board of education shall certify its resolution to 28253  
the legislative authority not later than fourteen days prior to 28254  
the date the legislative authority intends to adopt the 28255  
ordinance or resolution as indicated in the notice. If the board 28256  
of education approves the exemption on the condition that a 28257  
compensation agreement be negotiated, the board in its 28258

resolution shall propose a compensation percentage. If the board 28259  
of education and the legislative authority negotiate a mutually 28260  
acceptable compensation agreement, the ordinance or resolution 28261  
may declare the improvements a public purpose for the number of 28262  
years specified in the ordinance or resolution or, in the case 28263  
of exemption percentages in excess of seventy-five per cent, for 28264  
the exemption percentage specified in the ordinance or 28265  
resolution. In either case, if the board and the legislative 28266  
authority fail to negotiate a mutually acceptable compensation 28267  
agreement, the ordinance or resolution may declare the 28268  
improvements a public purpose for not more than ten years, but 28269  
shall not exempt more than seventy-five per cent of the 28270  
improvements from taxation. If the board fails to certify a 28271  
resolution to the legislative authority within the time 28272  
prescribed by this division, the legislative authority thereupon 28273  
may adopt the ordinance or resolution and may declare the 28274  
improvements a public purpose for up to thirty years. The 28275  
legislative authority may adopt the ordinance or resolution at 28276  
any time after the board of education certifies its resolution 28277  
approving the exemption to the legislative authority, or, if the 28278  
board approves the exemption on the condition that a mutually 28279  
acceptable compensation agreement be negotiated, at any time 28280  
after the compensation agreement is agreed to by the board and 28281  
the legislative authority. If a mutually acceptable compensation 28282  
agreement is negotiated between the legislative authority and 28283  
the board, including agreements for payments in lieu of taxes 28284  
under section 5709.42 or 5709.74 of the Revised Code, the 28285  
legislative authority shall compensate the joint vocational 28286  
school district within the territory of which the improvements 28287  
are or will be located at the same rate and under the same terms 28288  
received by the city, local, or exempted village school 28289  
district. 28290

(3) If a board of education has adopted a resolution 28291  
waiving its right to approve exemptions from taxation and the 28292  
resolution remains in effect, approval of exemptions by the 28293  
board is not required under this division. If a board of 28294  
education has adopted a resolution allowing a legislative 28295  
authority to deliver the notice required under this division 28296  
fewer than forty-five business days prior to the legislative 28297  
authority's adoption of the ordinance or resolution, the 28298  
legislative authority shall deliver the notice to the board not 28299  
later than the number of days prior to such adoption as 28300  
prescribed by the board in its resolution. If a board of 28301  
education adopts a resolution waiving its right to approve 28302  
exemptions or shortening the notification period, the board 28303  
shall certify a copy of the resolution to the legislative 28304  
authority. If the board of education rescinds such a resolution, 28305  
it shall certify notice of the rescission to the legislative 28306  
authority. 28307

(4) If the legislative authority is not required by 28308  
division (C) (1), (2), or (3) of this section to notify the board 28309  
of education of the legislative authority's intent to declare 28310  
improvements to be a public purpose, the legislative authority 28311  
shall comply with the notice requirements imposed under section 28312  
5709.83 of the Revised Code, unless the board has adopted a 28313  
resolution under that section waiving its right to receive such 28314  
a notice. 28315

(5) Nothing in division (C) of this section prohibits the 28316  
legislative authority of a municipal corporation or township 28317  
from amending the ordinance or resolution under section 5709.51 28318  
of the Revised Code to extend the term of the exemption. 28319

(D) An exemption granted under this section commences with 28320

the tax year specified in the ordinance or resolution so long as 28321  
the year specified in the ordinance or resolution commences 28322  
after the effective date of the ordinance or resolution. If the 28323  
ordinance or resolution specifies a year commencing before the 28324  
effective date of the ordinance or resolution or specifies no 28325  
year, the exemption commences with the tax year in which an 28326  
exempted improvement first appears on the tax list and that 28327  
commences after the effective date of the ordinance or 28328  
resolution. In lieu of stating a specific year, the ordinance or 28329  
resolution may provide that the exemption commences in the tax 28330  
year in which the value of an improvement exceeds a specified 28331  
amount or in which the construction of one or more improvements 28332  
is completed, provided that such tax year commences after the 28333  
effective date of the ordinance or resolution. In lieu of 28334  
stating a specific year, the ordinance or resolution may allow 28335  
for the exemption to commence in different tax years on a 28336  
parcel-by-parcel basis, with a separate exemption term specified 28337  
for each parcel. The exemption ends on the date specified in the 28338  
ordinance or resolution as the date the improvement ceases to be 28339  
a public purpose. The exemption shall be claimed and allowed in 28340  
the same or a similar manner as in the case of other real 28341  
property exemptions. If an exemption status changes during a tax 28342  
year, the procedure for the apportionment of the taxes for that 28343  
year is the same as in the case of other changes in tax 28344  
exemption status during the year. 28345

(E) A municipal corporation or township, not later than 28346  
fifteen days after the adoption of an ordinance or resolution 28347  
granting a tax exemption under this section, shall submit to the 28348  
director of housing and development a copy of the ordinance or 28349  
resolution. On or before the thirty-first day of March each 28350  
year, the municipal corporation or township shall submit a 28351

status report to the director of housing and development 28352  
outlining the progress of the project during each year that the 28353  
exemption remains in effect. 28354

**Sec. 5709.45.** (A) As used in sections 5709.45 to 5709.47 28355  
of the Revised Code: 28356

(1) "Downtown redevelopment district" or "district" means 28357  
an area not more than ten acres enclosed by a continuous 28358  
boundary in which at least one historic building is being, or 28359  
will be, rehabilitated. 28360

(2) "Historic building" and "rehabilitation" have the same 28361  
meanings as in section 149.311 of the Revised Code. 28362

(3) "Public infrastructure improvement" has the same 28363  
meaning as in section 5709.40 of the Revised Code. 28364

(4) "Improvement" means the increase in the assessed value 28365  
of real property that would first appear on the tax list after 28366  
the effective date of an ordinance adopted under this section 28367  
were it not for the exemption granted by the ordinance. 28368

(5) "Innovation district" means an area located entirely 28369  
within a downtown redevelopment district, enclosed by a 28370  
continuous boundary, and equipped with a high-speed broadband 28371  
network capable of download speeds of at least one hundred 28372  
gigabits per second. 28373

(6) "Qualified business" means a business primarily 28374  
engaged, or primarily organized to engage, in a trade or 28375  
business that involves research and development, technology 28376  
transfer, bio-technology, information technology, or the 28377  
application of new technology developed through research and 28378  
development or acquired through technology transfer. 28379



(7) "Information technology" means the branch of 28380  
technology devoted to the study and application of data and the 28381  
processing thereof; the automatic acquisition, storage, 28382  
manipulation or transformation, management, movement, control, 28383  
display, switching, interchange, transmission or reception of 28384  
data, and the development or use of hardware, software, 28385  
firmware, and procedures associated with this processing. 28386  
"Information technology" includes matters concerned with the 28387  
furtherance of computer science and technology, design, 28388  
development, installation, and implementation of information 28389  
systems and applications that in turn will be licensed or sold 28390  
to a specific target market. "Information technology" does not 28391  
include the creation of a distribution method for existing 28392  
products and services. 28393

(8) "Research and development" means designing, creating, 28394  
or formulating new or enhanced products, equipment, or 28395  
processes, and conducting scientific or technological inquiry 28396  
and experimentation in the physical sciences with the goal of 28397  
increasing scientific knowledge that may reveal the bases for 28398  
new or enhanced products, equipment, or processes. 28399

(9) "Technology transfer" means the transfer of technology 28400  
from one sector of the economy to another, including the 28401  
transfer of military technology to civilian applications, 28402  
civilian technology to military applications, or technology from 28403  
public or private research laboratories to military or civilian 28404  
applications. 28405

(B) For the purposes of promoting rehabilitation of 28406  
historic buildings, creating jobs, and encouraging economic 28407  
development in commercial and mixed-use commercial and 28408  
residential areas, and for the purpose of funding transportation 28409

improvements that will benefit such areas, the legislative 28410  
authority of a municipal corporation may adopt an ordinance 28411  
creating a downtown redevelopment district and declaring 28412  
improvements to parcels within the district to be a public 28413  
purpose and exempt from taxation. Downtown redevelopment 28414  
districts shall not be created in areas used exclusively for 28415  
residential purposes and shall not be utilized for development 28416  
or redevelopment of residential areas. 28417

The ordinance shall specify all of the following: 28418

(1) The boundary of the district; 28419

(2) The county treasurer's permanent parcel number 28420  
associated with each parcel included in the district; 28421

(3) The parcel or parcels within the district that include 28422  
a historic building that is being or will be rehabilitated; 28423

(4) The proposed life of the district; 28424

(5) An economic development plan for the district that 28425  
includes all of the following: 28426

(a) A statement describing the principal purposes and 28427  
goals to be served by creating the district; 28428

(b) An explanation of how the municipal corporation will 28429  
collaborate with businesses and property owners within the 28430  
district to develop strategies for achieving such purposes and 28431  
goals; 28432

(c) A plan for using the service payments provided for in 28433  
section 5709.46 of the Revised Code to promote economic 28434  
development and job creation within the district. 28435

Not more than seventy per cent of improvements to parcels 28436

within a downtown redevelopment district may be exempted from 28437  
taxation under this section. A district may not include a parcel 28438  
that is exempted from taxation under this section or section 28439  
5709.40 or 5709.41 of the Revised Code on the effective date of 28440  
the ordinance. Except as provided in division (F) of this 28441  
section, the life of a downtown redevelopment district shall not 28442  
exceed ten years. 28443

A municipal corporation may adopt more than one ordinance 28444  
under division (B) of this section. A single such ordinance may 28445  
create more than one downtown redevelopment district. 28446

(C) For the purposes of attracting and facilitating growth 28447  
of qualified businesses and supporting the economic development 28448  
efforts of business incubators and accelerators, the legislative 28449  
authority of a municipal corporation may designate an innovation 28450  
district within a proposed or existing downtown redevelopment 28451  
district. The life of the innovation district shall be identical 28452  
to the downtown redevelopment district in which the innovation 28453  
district is located. In addition to the requirements in division 28454  
(B) of this section, an ordinance creating a downtown 28455  
redemption district that includes an innovation district 28456  
shall specify all of the following: 28457

(1) The boundary of the innovation district; 28458

(2) The permanent parcel number associated with each 28459  
parcel included in the innovation district; 28460

(3) An economic development plan for the innovation 28461  
district that meets the criteria prescribed by division (B) (5) 28462  
of this section. 28463

(D) At least thirty days before adopting an ordinance 28464  
under division (B) of this section, the legislative authority of 28465

the municipal corporation shall conduct a public hearing on the 28466  
proposed ordinance and the accompanying economic development 28467  
plan. At least thirty days before the public hearing, the 28468  
legislative authority shall give notice of the public hearing 28469  
and the proposed ordinance by first class mail to every real 28470  
property owner whose property is located within the boundaries 28471  
of the proposed district that is the subject of the proposed 28472  
ordinance. 28473

(E) Revenue derived from downtown redevelopment district 28474  
service payments may be used by the municipal corporation for 28475  
any of the following purposes: 28476

(1) To finance or support loans, deferred loans, or grants 28477  
to owners of historic buildings within the downtown 28478  
redemption district. Such loans or grants shall be awarded 28479  
upon the condition that the loan or grant amount may be used by 28480  
the owner only to rehabilitate the historic building. A 28481  
municipal corporation that awards a loan or grant under this 28482  
division shall develop a plan for tracking the loan or grant 28483  
recipient's use of the loan or grant and monitoring the progress 28484  
of the recipient's rehabilitation project. 28485

(2) To make contributions to a special improvement 28486  
district for use under section 1710.14 of the Revised Code, to a 28487  
community improvement corporation for use under section 1724.12 28488  
of the Revised Code, or to a nonprofit corporation, as defined 28489  
in section 1702.01 of the Revised Code, the primary purpose of 28490  
which is redeveloping historic buildings and historic districts 28491  
for use by the corporation to rehabilitate a historic building 28492  
within the downtown redevelopment district or to otherwise 28493  
promote or enhance the district. Amounts contributed under 28494  
division (E) (2) of this section shall not exceed the property 28495

tax revenue that would have been generated by twenty per cent of 28496  
the assessed value of the exempted improvements within the 28497  
downtown redevelopment district. 28498

(3) To finance or support loans to owners of one or more 28499  
buildings located within the district that do not qualify as 28500  
historic buildings. Such loans shall be awarded upon the 28501  
condition that the loan amount may be used by the owner only to 28502  
make repairs and improvements to the building or buildings. A 28503  
municipal corporation that awards a loan under this division 28504  
shall develop a plan for tracking the loan recipient's use of 28505  
the loan and monitoring the progress of the recipient's repairs 28506  
or improvements. 28507

(4) To finance public infrastructure improvements within 28508  
the downtown redevelopment district. If revenue generated by the 28509  
downtown redevelopment district will be used to finance public 28510  
infrastructure improvements, the economic development plan 28511  
described by division (B) (5) of this section shall identify 28512  
specific projects that are being or will be undertaken within 28513  
the district and describe how such infrastructure improvements 28514  
will accommodate additional demands on the existing 28515  
infrastructure within the district. A municipal corporation 28516  
shall not use service payments derived from a downtown 28517  
redemption district to repair or replace police or fire 28518  
equipment. 28519

(5) To finance or support loans, deferred loans, or grants 28520  
to qualified businesses or to incubators and accelerators that 28521  
provide services and capital to qualified businesses within an 28522  
innovation district. Such loans or grants shall be awarded upon 28523  
the condition that the loan or grant shall be used by the 28524  
recipient to start or develop one or more qualified businesses 28525

within the innovation district. A municipal corporation that 28526  
awards a loan or grant under this division shall develop a plan 28527  
for tracking the loan or grant recipient's use of the loan or 28528  
grant and monitoring the establishment and growth of the 28529  
qualified business. 28530

(F) Notwithstanding division (B) of this section, 28531  
improvements to parcels located within a downtown redevelopment 28532  
district may be exempted from taxation under this section for up 28533  
to thirty years if either of the following apply: 28534

(1) The ordinance creating the redevelopment district 28535  
specifies that payments in lieu of taxes shall be paid to the 28536  
city, local, or exempted village, and joint vocational school 28537  
district or districts in which the redevelopment district is 28538  
located in the amount of the taxes that would have been payable 28539  
to the school district or districts if the improvements had not 28540  
been exempted from taxation. 28541

(2) The municipal corporation creating the district 28542  
obtains the approval under division (G) of this section of the 28543  
board of education of each city, local, and exempted village 28544  
school district within which the district will be located. 28545

(G) (1) The legislative authority of a municipal 28546  
corporation seeking the approval of a school district for the 28547  
purpose of division (G) (2) of this section shall send notice of 28548  
the proposed ordinance to the school district not later than 28549  
forty-five business days before it intends to adopt the 28550  
ordinance. The notice shall include a copy of the proposed 28551  
ordinance and shall indicate the date on which the legislative 28552  
authority intends to adopt the ordinance. The board of education 28553  
of the school district, by resolution adopted by a majority of 28554  
the board, may do any of the following: 28555

(a) Approve the exemption for the number of years 28556  
specified in the proposed ordinance; 28557

(b) Disapprove the exemption for the number of years in 28558  
excess of ten; 28559

(c) Approve the exemption on the condition that the 28560  
legislative authority and the board negotiate an agreement 28561  
providing for compensation to the school district equal in value 28562  
to a percentage of the amount of taxes exempted in the eleventh 28563  
and subsequent years of the exemption period or other mutually 28564  
agreeable compensation. If an agreement is negotiated under this 28565  
division, the legislative authority shall compensate all joint 28566  
vocational school districts within which the downtown 28567  
redevelopment district is located at the same rate and under the 28568  
same terms received by the city, local, or exempted village 28569  
school district. 28570

(2) The board of education shall certify a resolution 28571  
adopted under division (G) (1) of this section to the legislative 28572  
authority of the municipal corporation not later than fourteen 28573  
days before the date the legislative authority intends to adopt 28574  
the ordinance as indicated in the notice. If the board of 28575  
education approves the ordinance or negotiates a mutually 28576  
acceptable compensation agreement with the legislative 28577  
authority, the legislative authority may enact the ordinance in 28578  
its current form. If the board disapproves of the ordinance and 28579  
fails to negotiate a mutually acceptable compensation agreement 28580  
with the legislative authority, the legislative authority may 28581  
exempt improvements to parcels within the downtown redevelopment 28582  
district for not more than ten years. If the board fails to 28583  
certify a resolution to the legislative authority within the 28584  
time prescribed by this division, the legislative authority may 28585

adopt the ordinance and may exempt improvements to parcels 28586  
within the downtown redevelopment district for the period of 28587  
time specified in the notice delivered to the board of 28588  
education. The legislative authority may adopt the ordinance at 28589  
any time after the board of education certifies its resolution 28590  
approving the exemption to the legislative authority or, if the 28591  
board approves the exemption on the condition that a mutually 28592  
acceptable compensation agreement be negotiated, at any time 28593  
after the compensation agreement is agreed to by the board and 28594  
the legislative authority. 28595

(3) If a board of education has adopted a resolution 28596  
waiving its right to approve exemptions from taxation under this 28597  
section and the resolution remains in effect, approval of 28598  
exemptions by the board is not required under division (G) of 28599  
this section. If a board of education has adopted a resolution 28600  
allowing a legislative authority to deliver the notice required 28601  
under division (G)(1) of this section fewer than forty-five 28602  
business days before the legislative authority's adoption of the 28603  
ordinance, the legislative authority shall deliver the notice to 28604  
the board not later than the number of days before such adoption 28605  
as prescribed by the board in its resolution. If a board of 28606  
education adopts a resolution waiving its right to approve 28607  
agreements or shortening the notification period, the board 28608  
shall certify a copy of the resolution to the legislative 28609  
authority. If the board of education rescinds such a resolution, 28610  
it shall certify notice of the rescission to the legislative 28611  
authority. 28612

(4) If the legislative authority is not required by 28613  
division (G) of this section to notify the board of education of 28614  
the legislative authority's intent to create a downtown 28615  
redemption district, the legislative authority shall comply 28616



with the notice requirements imposed under section 5709.83 of 28617  
the Revised Code, unless the board has adopted a resolution 28618  
under that section waiving its right to receive such a notice. 28619

(H) Service payments in lieu of taxes that are 28620  
attributable to any amount by which the effective tax rate of 28621  
either a renewal levy with an increase or a replacement levy 28622  
exceeds the effective tax rate of the levy renewed or replaced, 28623  
or that are attributable to an additional levy, for a levy 28624  
authorized by the voters for any of the following purposes on or 28625  
after January 1, 2006, and which are provided pursuant to an 28626  
ordinance creating a downtown redevelopment district under 28627  
division (B) of this section shall be distributed to the 28628  
appropriate taxing authority as required under division (C) of 28629  
section 5709.46 of the Revised Code in an amount equal to the 28630  
amount of taxes from that additional levy or from the increase 28631  
in the effective tax rate of such renewal or replacement levy 28632  
that would have been payable to that taxing authority from the 28633  
following levies were it not for the exemption authorized under 28634  
division (B) of this section: 28635

(1) A tax levied under division (L) of section 5705.19 or 28636  
section 5705.191 of the Revised Code for community developmental 28637  
disabilities programs and services pursuant to Chapter 5126. of 28638  
the Revised Code; 28639

(2) A tax levied under division (Y) of section 5705.19 of 28640  
the Revised Code for providing or maintaining senior citizens 28641  
services or facilities; 28642

(3) A tax levied under section 5705.22 of the Revised Code 28643  
for county hospitals; 28644

(4) A tax levied by a joint-county district or by a county 28645

under section 5705.19, 5705.191, or 5705.221 of the Revised Code 28646  
for alcohol, drug addiction, and mental health services or 28647  
facilities; 28648

(5) A tax levied under section 5705.23 of the Revised Code 28649  
for library purposes; 28650

(6) A tax levied under section 5705.24 of the Revised Code 28651  
for the support of children services and the placement and care 28652  
of children; 28653

(7) A tax levied under division (Z) of section 5705.19 of 28654  
the Revised Code for the provision and maintenance of zoological 28655  
park services and facilities under section 307.76 of the Revised 28656  
Code; 28657

(8) A tax levied under section 511.27 or division (H) of 28658  
section 5705.19 of the Revised Code for the support of township 28659  
park districts; 28660

(9) A tax levied under division (A), (F), or (H) of 28661  
section 5705.19 of the Revised Code for parks and recreational 28662  
purposes of a joint recreation district organized pursuant to 28663  
division (B) of section 755.14 of the Revised Code; 28664

(10) A tax levied under section 1545.20 or 1545.21 of the 28665  
Revised Code for park district purposes; 28666

(11) A tax levied under section 5705.191 of the Revised 28667  
Code for the purpose of making appropriations for public 28668  
assistance; human or social services; public relief; public 28669  
welfare; public health and hospitalization; and support of 28670  
general hospitals; 28671

(12) A tax levied under section 3709.29 of the Revised 28672  
Code for a general health district program. 28673

(I) An exemption from taxation granted under this section 28674  
commences with the tax year specified in the ordinance so long 28675  
as the year specified in the ordinance commences after the 28676  
effective date of the ordinance. If the ordinance specifies a 28677  
year commencing before the effective date of the ordinance or 28678  
specifies no year whatsoever, the exemption commences with the 28679  
tax year in which an exempted improvement first appears on the 28680  
tax list and that commences after the effective date of the 28681  
ordinance. In lieu of stating a specific year, the ordinance may 28682  
provide that the exemption commences in the tax year in which 28683  
the value of an improvement exceeds a specified amount or in 28684  
which the construction of one or more improvements is completed, 28685  
provided that such tax year commences after the effective date 28686  
of the ordinance. 28687

Except as otherwise provided in this division, the 28688  
exemption ends on the date specified in the ordinance as the 28689  
date the improvement ceases to be a public purpose or the 28690  
downtown redevelopment district expires, whichever occurs first. 28691  
The exemption of an improvement within a downtown redevelopment 28692  
district may end on a later date, as specified in the ordinance, 28693  
if the legislative authority and the board of education of the 28694  
city, local, or exempted village school district within which 28695  
the parcel or district is located have entered into a 28696  
compensation agreement under section 5709.82 of the Revised Code 28697  
with respect to the improvement, and the board of education has 28698  
approved the term of the exemption under division (G) of this 28699  
section, but in no case shall the improvement be exempted from 28700  
taxation for more than thirty years. Exemptions shall be claimed 28701  
and allowed in the same manner as in the case of other real 28702  
property exemptions. If an exemption status changes during a 28703  
year, the procedure for the apportionment of the taxes for that 28704

year is the same as in the case of other changes in tax 28705  
exemption status during the year. 28706

(J) Additional municipal financing of the projects and 28707  
services described in division (E) of this section may be 28708  
provided by any methods that the municipal corporation may 28709  
otherwise use for financing such projects and services. If the 28710  
municipal corporation issues bonds or notes to finance such 28711  
projects and services and pledges money from the municipal 28712  
downtown redevelopment district fund to pay the interest on and 28713  
principal of the bonds or notes, the bonds or notes are not 28714  
subject to Chapter 133. of the Revised Code. 28715

(K) The municipal corporation, not later than fifteen days 28716  
after the adoption of an ordinance under this section, shall 28717  
submit to the director of housing and development ~~services~~ a 28718  
copy of the ordinance. On or before the thirty-first day of 28719  
March of each year, the municipal corporation shall submit a 28720  
status report to the director of housing and development 28721  
~~services~~. The report shall indicate, in the manner prescribed by 28722  
the director, the progress of the projects and services during 28723  
each year that an exemption remains in effect, including a 28724  
summary of the receipts from service payments in lieu of taxes; 28725  
expenditures of money from the funds created under section 28726  
5709.47 of the Revised Code; a description of the projects and 28727  
services financed with such expenditures; and a quantitative 28728  
summary of changes in employment and private investment 28729  
resulting from each project and service. 28730

(L) Nothing in this section shall be construed to prohibit 28731  
a legislative authority from declaring to be a public purpose 28732  
improvements with respect to more than one parcel. 28733

(M) (1) The owner of real property located in a downtown 28734

redevelopment district may enter into an agreement with the 28735  
municipal corporation that created the district to impose a 28736  
redevelopment charge on the property to cover all or part of the 28737  
cost of services, facilities, and improvements provided within 28738  
the district under division (E) of this section. The agreement 28739  
shall include the following: 28740

(a) The amount of the redevelopment charge. The 28741  
redevelopment charge may be a fixed dollar amount or an amount 28742  
determined on the basis of the assessed valuation of the 28743  
property or all or part of the profits, gross receipts, or other 28744  
revenues of a business operating on the property, including 28745  
rentals received from leases of the property. If the property is 28746  
leased to one or more tenants, the redevelopment charge may be 28747  
itemized as part of the lease rate. 28748

(b) The termination date of the redevelopment charge. The 28749  
redevelopment charge shall not be charged after the expiration 28750  
or termination of the downtown redevelopment district. 28751

(c) The terms by which the municipal corporation shall 28752  
collect the redevelopment charge. 28753

(d) The purposes for which the redevelopment charge may be 28754  
used by the municipal corporation. The redevelopment charge 28755  
shall be used only for those purposes described by division (E) 28756  
of this section. The agreement may specify any or all of such 28757  
purposes. 28758

(2) Redevelopment charges collected by a municipal 28759  
corporation under division (M) of this section shall be 28760  
deposited to the municipal downtown redevelopment district fund 28761  
created under section 5709.47 of the Revised Code. 28762

(3) An agreement by a property owner under division (M) of 28763

this section is hereby deemed to be a covenant running with the 28764  
land. The covenant is fully binding on behalf of and enforceable 28765  
by the municipal corporation against any person acquiring an 28766  
interest in the land and all of that person's successors and 28767  
assigns. 28768

(4) No purchase agreement for real estate or any interest 28769  
in real estate upon which a redevelopment charge is levied shall 28770  
be enforceable by the seller or binding upon the purchaser 28771  
unless the purchase agreement specifically refers to the 28772  
redevelopment charge. If a conveyance of such real estate or 28773  
interest in such real estate is made pursuant to a purchase 28774  
agreement that does not make such reference, the redevelopment 28775  
charge shall continue to be a covenant running with the land 28776  
fully binding on behalf of and enforceable by the municipal 28777  
corporation against the person accepting the conveyance pursuant 28778  
to the purchase agreement. 28779

(5) If a redevelopment charge is not paid when due, the 28780  
overdue amount shall be collected according to the terms of the 28781  
agreement. If the agreement does not specify a procedure for 28782  
collecting overdue redevelopment charges, the municipal 28783  
corporation may certify the charge to the county auditor. The 28784  
county auditor shall enter the unpaid charge on the tax list and 28785  
duplicate of real property opposite the parcel against which it 28786  
is charged and certify the charge to the county treasurer. The 28787  
unpaid redevelopment charge is a lien on property against which 28788  
it is charged from the date the charge is entered on the tax 28789  
list, and shall be collected in the manner provided for the 28790  
collection of real property taxes. Once the charge is collected, 28791  
it shall be paid immediately to the municipal corporation. 28792

**Sec. 5709.48.** (A) As used in this section and sections 28793

5709.481, 5709.49, and 5709.50 of the Revised Code: 28794

(1) "Regional transportation improvement project" has the 28795  
same meaning as in section 5595.01 of the Revised Code. 28796

(2) "Improvements" means the increase in the assessed 28797  
value of any real property that would first appear on the tax 28798  
list and duplicate of real and public utility property after the 28799  
effective date of the resolution adopted under this section were 28800  
it not for the exemption granted by that resolution. 28801

(B) For the purposes described in division (A) of section 28802  
5595.06 of the Revised Code, the governing board of a regional 28803  
transportation improvement project that was undertaken pursuant 28804  
to section 5595.02 of the Revised Code before March 23, 2018, 28805  
may, by resolution, create a transportation financing district 28806  
and declare improvements to parcels within the district to be a 28807  
public purpose and exempt from taxation. 28808

(C) A transportation financing district shall consist of 28809  
all territory of all counties that are participants in the 28810  
regional transportation improvement project funded by the 28811  
district, except that the district shall not include parcels 28812  
used primarily for residential purposes, parcels that are 28813  
currently exempt from taxation under this section or section 28814  
5709.40, 5709.41, 5709.45, 5709.73, or 5709.77 of the Revised 28815  
Code, or parcels excluded from the district under division (G) 28816  
of this section. 28817

(D) A resolution creating a transportation financing 28818  
district shall specify all of the following: 28819

(1) The county treasurer's permanent parcel number 28820  
associated with each parcel included in the district; 28821

(2) (a) The percentage of improvements to be exempted from 28822

taxation and the duration of the exemption. 28823

(b) Except as provided in division (E) of this section, 28824  
the percentage of improvements to be exempted shall not exceed 28825  
seventy-five per cent, and the duration of the exemption shall 28826  
not exceed ten years. 28827

(c) In no case may the life of the exemption exceed the 28828  
remaining number of years the cooperative agreement for the 28829  
regional transportation improvement district, described under 28830  
section 5595.03 of the Revised Code, is in effect. 28831

(3) A plan for the district that describes the principal 28832  
purposes and goals to be served by the district and explains how 28833  
the use of service payments provided for by section 5709.49 of 28834  
the Revised Code will economically benefit owners of property 28835  
within the district. 28836

(E) Subject to division (D) (2) (c) of this section, 28837  
improvements to parcels located in a transportation financing 28838  
district may be exempted from taxation for up to thirty years, 28839  
and the percentage of improvements that may be exempted may 28840  
equal up to one hundred per cent, if either of the following 28841  
apply: 28842

(1) The governing board, before adopting a resolution 28843  
under division (B) of this section, obtains the approval under 28844  
division (F) of this section of the board of education of each 28845  
city, local, and exempted village school district within the 28846  
territory of the proposed transportation financing district. 28847

(2) In the resolution creating the transportation 28848  
financing district, the governing board agrees to compensate 28849  
each city, local, or exempted village, and joint vocational 28850  
school district or districts in which the transportation 28851



financing district is located for the full amount of taxes that 28852  
would have been payable to the school district or districts if 28853  
the improvements had not been exempted from taxation. 28854

(F) (1) A governing board seeking the approval of a school 28855  
district for the purpose of division (E) (1) of this section 28856  
shall send notice of the proposed resolution to the school 28857  
district not later than forty-five business days before it 28858  
intends to adopt the resolution. The notice shall include a copy 28859  
of the proposed resolution and shall indicate the date on which 28860  
the governing board intends to adopt the resolution. 28861

The board of education, by resolution adopted by a 28862  
majority of the board, may approve the exemption for the period 28863  
or for the exemption percentage specified in the notice; may 28864  
disapprove the exemption for the number of years in excess of 28865  
ten, may disapprove the exemption for the percentage of the 28866  
improvements to be exempted in excess of seventy-five per cent, 28867  
or both; or may approve the exemption on the condition that the 28868  
governing board and the board of education negotiate an 28869  
agreement providing for compensation equal in value to a 28870  
percentage of the amount of taxes exempted or some other 28871  
mutually agreeable compensation. If a mutually acceptable 28872  
compensation agreement is negotiated between the governing board 28873  
and the board of education, the governing board shall compensate 28874  
the joint vocational school district within which the district 28875  
is located at the same rate and under the same terms received by 28876  
the city, local, or exempted village school district. 28877

(2) The board of education shall certify a resolution 28878  
adopted under division (F) (1) of this section to the governing 28879  
board not later than fourteen days before the date the governing 28880  
board intends to adopt the resolution as indicated in the 28881

notice. If the board of education approves the ordinance or 28882  
negotiates a mutually acceptable compensation agreement, the 28883  
governing board may enact the resolution in its current form. If 28884  
the board of education disapproves of the ordinance and fails to 28885  
negotiate a mutually acceptable compensation agreement, the 28886  
resolution is subject to the limitations prescribed by divisions 28887  
(D) (2) (b) and (c) of this section. If the board of education 28888  
fails to certify a resolution within the time prescribed by this 28889  
division, the governing board may adopt the resolution and 28890  
declare the improvements a public purpose for the period of time 28891  
specified in the resolution, or, in the case of exemption 28892  
percentages proposed in excess of seventy-five per cent, for the 28893  
exemption percentage specified in the resolution. 28894

The governing board may adopt the resolution at any time 28895  
after the board of education certifies its resolution approving 28896  
the exemption, or, if the board of education approves the 28897  
exemption on the condition that a mutually acceptable 28898  
compensation agreement be negotiated, at any time after the 28899  
compensation agreement is agreed to by the board of education 28900  
and the governing board. 28901

(3) A board of education may adopt a resolution waiving 28902  
its right to approve or receive notice of transportation 28903  
financing districts proposed under this section. If a board of 28904  
education has adopted such a resolution, the terms of that 28905  
resolution supersede the requirements of division (F) (1) of this 28906  
section. The governing board may negotiate an agreement with a 28907  
board of education providing for some mutually agreeable 28908  
compensation in exchange for the board of education adopting 28909  
such a resolution. If a board of education has adopted such an 28910  
ordinance or resolution, it shall certify a copy to the 28911  
governing board. If the board of education rescinds such a 28912

resolution, it shall certify notice of the rescission to the 28913  
governing board. 28914

(4) If the governing board is not required by division (F) 28915  
of this section to notify the board of education of the 28916  
governing board's intent to create a transportation financing 28917  
district, the governing board shall comply with the notice 28918  
requirements imposed under section 5709.83 of the Revised Code, 28919  
unless the board of education has adopted a resolution under 28920  
that section waiving its right to receive such a notice. 28921

(G) The governing board shall notify and obtain the 28922  
approval of every real property owner whose property is included 28923  
in the proposed transportation financing district. The approval 28924  
shall include a signed agreement between the property owner and 28925  
the governing board that specifies the projects and purposes for 28926  
which the service payments made by the owner under section 28927  
5709.49 of the Revised Code will be used. Such an agreement does 28928  
not supersede any compensation agreement between the governing 28929  
board and a school district under division (F) of this section. 28930  
If the property owner and the governing board do not reach an 28931  
agreement under this division, the parcel shall be excluded from 28932  
the district. 28933

(H) (1) Upon adopting a resolution creating a 28934  
transportation financing district, the governing board shall 28935  
send a copy of the resolution and documentation sufficient to 28936  
prove that the requirements of divisions (F) and (G) of this 28937  
section have been met to the director of housing and 28938  
development. The director shall evaluate the resolution and 28939  
documentation to determine if the governing board has fully 28940  
complied with the requirements of this section. If the director 28941  
approves the resolution, the director shall send notice of 28942

approval to the governing board. If the director does not 28943  
approve the resolution, the director shall send a notice of 28944  
denial to the governing board that includes the reason or 28945  
reasons for the denial. If the director does not make a 28946  
determination within ninety days after receiving a resolution 28947  
under this section, the director is deemed to have approved the 28948  
resolution. No resolution creating a transportation financing 28949  
district is effective without actual or constructive approval by 28950  
the director under this section. 28951

(2) An exemption from taxation granted under this section 28952  
commences with the tax year specified in the resolution so long 28953  
as the year specified in the resolution commences after the 28954  
effective date of the resolution. If the resolution specifies a 28955  
year commencing before the effective date of the resolution or 28956  
specifies no year whatsoever, the exemption commences with the 28957  
tax year in which an exempted improvement first appears on the 28958  
tax list and that commences after the effective date of the 28959  
resolution. 28960

(3) Except as otherwise provided in this division, the 28961  
exemption ends on the date specified in the resolution as the 28962  
date the improvement ceases to be a public purpose or the 28963  
regional transportation improvement project funded by the 28964  
service payments dissolves under section 5595.13 of the Revised 28965  
Code, whichever occurs first. Exemptions shall be claimed and 28966  
allowed in the same manner as in the case of other real property 28967  
exemptions. If an exemption status changes during a year, the 28968  
procedure for the apportionment of the taxes for that year is 28969  
the same as in the case of other changes in tax exemption status 28970  
during the year. 28971

(I) The resolution creating a transportation financing 28972

district may be amended at any time by majority vote of the 28973  
governing board and with the approval of the director of housing 28974  
and development obtained in the same manner as approval of the 28975  
original resolution. Such an amendment may include adding a 28976  
parcel to the district that was previously excluded under 28977  
division (G) of this section, so long as the governing board and 28978  
the owner of the parcel reach an agreement on the use of service 28979  
payments as provided under that division. 28980

**Sec. 5709.51.** (A) The legislative authority of a municipal 28981  
corporation, a board of township trustees, or a board of county 28982  
commissioners may amend or provide in an ordinance or resolution 28983  
adopted in accordance with division (B) of section 5709.40, 28984  
section 5709.41, division (B) of section 5709.73, or division 28985  
(A) of section 5709.78 of the Revised Code, as applicable, to 28986  
extend the exemption from taxation of improvements to the parcel 28987  
or parcels designated in the ordinance or resolution for an 28988  
additional period of not more than thirty years if all of the 28989  
following conditions are met: 28990

(1) Either (a) the service payments made pursuant to 28991  
section 5709.42, 5709.74, or 5709.79 of the Revised Code by the 28992  
owner or owners of the parcel or parcels designated in the 28993  
ordinance or resolution exceeded one million five hundred 28994  
thousand dollars in the calendar year preceding the adoption of 28995  
the amendment or (b) the legislative authority of the municipal 28996  
corporation, a board of township trustees, or a board of county 28997  
commissioners determines that the service payments to be made 28998  
pursuant to section 5709.42, 5709.74, or 5709.79 of the Revised 28999  
Code by the owner or owners of the parcel or parcels designated 29000  
in the ordinance or resolution will exceed one million five 29001  
hundred thousand dollars in any future year. 29002

(2) The service payments described in division (A) (1) of this section did not exceed one million five hundred thousand dollars in any calendar year before the calendar year immediately preceding the adoption of the amendment. This condition applies only to amendments adopted under this section on or after January 1, 2024.

(3) The amendment extending or the ordinance or resolution approving the exemption provides for compensation to the city, local, or exempted village school district in which the parcel or parcels are located equal in value to the amount of taxes that would be payable to the school district if the improvements had not been exempted from taxation for the additional period.

(B) Not later than fifteen days after adopting or amending an ordinance or resolution under this section, the legislative authority of the municipal corporation, board of township trustees, or board of county commissioners shall send a copy of the amendment to the director of housing and development.

(C) The amendment to this section by H.B. 33 of the 135th general assembly applies to any proceedings commenced after ~~the effective date of that amendment~~ October 3, 2023, and, insofar as the amendment supports the actions taken, also applies to proceedings that, on that date, are pending, in progress, or completed, notwithstanding the applicable law previously in effect or any provision to the contrary in a prior resolution, ordinance, order, advertisement, notice, or other proceeding. Any proceedings pending or in progress on ~~the effective date of that amendment~~ October 3, 2023, shall be deemed to have been taken in conformity with that amendment.

**Sec. 5709.61.** As used in sections 5709.61 to 5709.69 of the Revised Code:

(A) "Enterprise zone" or "zone" means any of the 29033  
following: 29034

(1) An area with a single continuous boundary designated 29035  
in the manner set forth in section 5709.62 or 5709.63 of the 29036  
Revised Code and certified by the director of housing and 29037  
development as having a population of at least four thousand 29038  
according to the best and most recent data available to the 29039  
director and having at least two of the following 29040  
characteristics: 29041

(a) It is located in a municipal corporation defined by 29042  
the United States office of management and budget as a principal 29043  
city of a metropolitan statistical area; 29044

(b) It is located in a county designated as being in the 29045  
"Appalachian region" under the "Appalachian Regional Development 29046  
Act of 1965," 79 Stat. 5, 40 App. U.S.C.A. 403, as amended; 29047

(c) Its average rate of unemployment, during the most 29048  
recent twelve-month period for which data are available, is 29049  
equal to at least one hundred twenty-five per cent of the 29050  
average rate of unemployment for the state of Ohio for the same 29051  
period; 29052

(d) There is a prevalence of commercial or industrial 29053  
structures in the area that are vacant or demolished, or are 29054  
vacant and the taxes charged thereon are delinquent, and 29055  
certification of the area as an enterprise zone would likely 29056  
result in the reduction of the rate of vacant or demolished 29057  
structures or the rate of tax delinquency in the area; 29058

(e) The population of all census tracts in the area, 29059  
according to the federal census of 2000, decreased by at least 29060  
ten per cent between the years 1980 and 2000; 29061

(f) At least fifty-one per cent of the residents of the  
area have incomes of less than eighty per cent of the median  
income of residents of the municipal corporation or municipal  
corporations in which the area is located, as determined in the  
same manner specified under section 119(b) of the "Housing and  
Community Development Act of 1974," 88 Stat. 633, 42 U.S.C.  
5318, as amended;

(g) The area contains structures previously used for  
industrial purposes, but currently not so used due to age,  
obsolescence, deterioration, relocation of the former occupant's  
operations, or cessation of operations resulting from  
unfavorable economic conditions either generally or in a  
specific economic sector;

(h) It is located within one or more adjacent city, local,  
or exempted village school districts, the income-weighted tax  
capacity of each of which is less than seventy per cent of the  
average of the income-weighted tax capacity of all city, local,  
or exempted village school districts in the state according to  
the most recent data available to the director from the  
department of taxation.

The director of housing and development shall adopt rules  
in accordance with Chapter 119. of the Revised Code establishing  
conditions constituting the characteristics described in  
divisions (A) (1) (d), (g), and (h) of this section.

If an area could not be certified as an enterprise zone  
unless it satisfied division (A) (1) (g) of this section, the  
legislative authority may enter into agreements in that zone  
under section 5709.62, 5709.63, or 5709.632 of the Revised Code  
only if such agreements result in the development of the  
facilities described in that division, the parcel of land on



which such facilities are situated, or adjacent parcels. The 29092  
director of housing and development annually shall review all 29093  
agreements in such zones to determine whether the agreements 29094  
have resulted in such development; if the director determines 29095  
that the agreements have not resulted in such development, the 29096  
director immediately shall revoke certification of the zone and 29097  
notify the legislative authority of such revocation. Any 29098  
agreements entered into prior to revocation under this paragraph 29099  
shall continue in effect for the period provided in the 29100  
agreement. 29101

(2) An area with a single continuous boundary designated 29102  
in the manner set forth in section 5709.63 of the Revised Code 29103  
and certified by the director of housing and development as 29104  
having all of the following characteristics: 29105

(a) Being located within a county that contains a 29106  
population of three hundred thousand or less; 29107

(b) Having a population of at least one thousand according 29108  
to the best and most recent data available to the director; 29109

(c) Having at least two of the characteristics described 29110  
in divisions (A)(1)(b) to (h) of this section. 29111

(3) An area with a single continuous boundary designated 29112  
in the manner set forth under division (A)(1) of section 29113  
5709.632 of the Revised Code and certified by the director of 29114  
housing and development as having a population of at least four 29115  
thousand, or under division (A)(2) of that section and certified 29116  
as having a population of at least one thousand, according to 29117  
the best and most recent data available to the director. 29118

(B) "Enterprise" means any form of business organization 29119  
including, but not limited to, any partnership, sole 29120

proprietorship, or corporation, including an S corporation as 29121  
defined in section 1361 of the Internal Revenue Code and any 29122  
corporation that is majority worker-owned either directly 29123  
through the ownership of stock or indirectly through 29124  
participation in an employee stock ownership plan. 29125

(C) "Facility" means an enterprise's place of business in 29126  
a zone, including land, buildings, machinery, equipment, and 29127  
other materials, except inventory, used in business. "Facility" 29128  
includes land, buildings, machinery, production and station 29129  
equipment, other equipment, and other materials, except 29130  
inventory, used in business to generate electricity, provided 29131  
that, for purposes of sections 5709.61 to 5709.69 of the Revised 29132  
Code, the value of the property at such a facility shall be 29133  
reduced by the value, if any, that is not apportioned under 29134  
section 5727.15 of the Revised Code to the taxing district in 29135  
which the facility is physically located. In the case of such a 29136  
facility that is physically located in two adjacent taxing 29137  
districts, the property located in each taxing district 29138  
constitutes a separate facility. 29139

"Facility" does not include any portion of an enterprise's 29140  
place of business used primarily for making retail sales unless 29141  
the place of business is located in an impacted city as defined 29142  
in section 1728.01 of the Revised Code or the board of education 29143  
of the city, local, or exempted village school district within 29144  
the territory of which the place of business is located adopts a 29145  
resolution waiving the exclusion of retail facilities under 29146  
section 5709.634 of the Revised Code. 29147

(D) "Vacant facility" means a facility that has been 29148  
vacant for at least ninety days immediately preceding the date 29149  
on which an agreement is entered into under section 5709.62 or 29150

5709.63 of the Revised Code. 29151

(E) "Expand" means to make expenditures to add land, 29152  
buildings, machinery, equipment, or other materials, except 29153  
inventory, to a facility that equal at least ten per cent of the 29154  
market value of the facility prior to such expenditures, as 29155  
determined for the purposes of local property taxation. 29156

(F) "Renovate" means to make expenditures to alter or 29157  
repair a facility that equal at least fifty per cent of the 29158  
market value of the facility prior to such expenditures, as 29159  
determined for the purposes of local property taxation. 29160

(G) "Occupy" means to make expenditures to alter or repair 29161  
a vacant facility equal to at least twenty per cent of the 29162  
market value of the facility prior to such expenditures, as 29163  
determined for the purposes of local property taxation. 29164

(H) "Project site" means all or any part of a facility 29165  
that is newly constructed, expanded, renovated, or occupied by 29166  
an enterprise. 29167

(I) "Project" means any undertaking by an enterprise to 29168  
establish a facility or to improve a project site by expansion, 29169  
renovation, or occupancy. 29170

(J) "Position" means the position of one full-time 29171  
employee performing a particular set of tasks and duties. 29172

(K) "Full-time employee" means an individual who is 29173  
employed for consideration by an enterprise for at least thirty- 29174  
five hours a week, or who renders any other standard of service 29175  
generally accepted by custom or specified by contract as full- 29176  
time employment. 29177

(L) "New employee" means a full-time employee first 29178

employed by an enterprise at a facility that is a project site 29179  
after the enterprise enters an agreement under section 5709.62 29180  
or 5709.63 of the Revised Code. "New employee" does not include 29181  
an employee if, immediately prior to being employed by the 29182  
enterprise, the employee was employed by an enterprise that is a 29183  
related member or predecessor enterprise of that enterprise. 29184

(M) "Unemployed person" means any person who is totally 29185  
unemployed in this state, as that term is defined in division 29186  
(M) of section 4141.01 of the Revised Code, for at least ten 29187  
consecutive weeks immediately preceding that person's employment 29188  
at a facility that is a project site, or who is so unemployed 29189  
for at least twenty-six of the fifty-two weeks immediately 29190  
preceding that person's employment at such a facility. 29191

(N) "JTPA eligible employee" means any individual who is 29192  
eligible for employment or training under the "Job Training 29193  
Partnership Act," 96 Stat. 1324 (1982), 29 U.S.C. 1501, as 29194  
amended. 29195

(O) "First used in business" means that the property 29196  
referred to has not been used in business in this state by the 29197  
enterprise that owns it, or by an enterprise that is a related 29198  
member or predecessor enterprise of such an enterprise, other 29199  
than as inventory, prior to being used in business at a facility 29200  
as the result of a project. 29201

(P) "Training program" means any noncredit training 29202  
program or course of study that is offered by any state college 29203  
or university; university branch district; community college; 29204  
technical college; nonprofit college or university certified 29205  
under section 1713.02 of the Revised Code; school district; 29206  
joint vocational school district; school registered and 29207  
authorized to offer programs under section 3332.05 of the 29208

Revised Code; an entity administering any federal, state, or 29209  
local adult education and training program; or any enterprise; 29210  
and that meets all of the following requirements: 29211

(1) It is approved by the director of housing and 29212  
development; 29213

(2) It is established or operated to satisfy the need of a 29214  
particular industry or enterprise for skilled or semi-skilled 29215  
employees; 29216

(3) An individual is required to complete the course or 29217  
program before filling a position at a project site. 29218

(Q) "Development" means to engage in the process of 29219  
clearing and grading land, making, installing, or constructing 29220  
water distribution systems, sewers, sewage collection systems, 29221  
steam, gas, and electric lines, roads, curbs, gutters, 29222  
sidewalks, storm drainage facilities, and construction of other 29223  
facilities or buildings equal to at least fifty per cent of the 29224  
market value of the facility prior to the expenditures, as 29225  
determined for the purposes of local property taxation. 29226

(R) "Large manufacturing facility" means a single Ohio 29227  
facility that employed an average of at least one thousand 29228  
individuals during the five calendar years preceding an 29229  
agreement authorized under division (C)(3) of section 5709.62 or 29230  
division (B)(2) of section 5709.63 of the Revised Code. For 29231  
purposes of this division, both of the following apply: 29232

(1) A single Ohio manufacturing facility employed an 29233  
average of at least one thousand individuals during the five 29234  
calendar years preceding entering into such an agreement if one- 29235  
fifth of the sum of the number of employees employed on the 29236  
highest employment day during each of the five calendar years 29237

equals or exceeds one thousand. 29238

(2) The highest employment day is the day or days during a 29239  
calendar year on which the number of employees employed at a 29240  
single Ohio manufacturing facility was greater than on any other 29241  
day during the calendar year. 29242

(S) "Business cycle" means the cycle of business activity 29243  
usually regarded as passing through alternating stages of 29244  
prosperity and depression. 29245

(T) "Making retail sales" means the effecting of point-of- 29246  
final-purchase transactions at a facility open to the consuming 29247  
public, wherein one party is obligated to pay the price and the 29248  
other party is obligated to provide a service or to transfer 29249  
title to or possession of the item sold. 29250

(U) "Environmentally contaminated" means that hazardous 29251  
substances exist at a facility under conditions that have caused 29252  
or would cause the facility to be identified as contaminated by 29253  
the state or federal environmental protection agency. These may 29254  
include facilities located at sites identified in the master 29255  
sites list or similar database maintained by the state 29256  
environmental protection agency if the sites have been 29257  
investigated by the agency and found to be contaminated. 29258

(V) "Remediate" means to make expenditures to clean up an 29259  
environmentally contaminated facility so that it is no longer 29260  
environmentally contaminated that equal at least ten per cent of 29261  
the real property market value of the facility prior to such 29262  
expenditures as determined for the purposes of property 29263  
taxation. 29264

(W) "Related member" has the same meaning as defined in 29265  
section 5733.042 of the Revised Code without regard to division 29266

(B) of that section, except that it is used with respect to an 29267  
enterprise rather than a taxpayer. 29268

(X) "Predecessor enterprise" means an enterprise from 29269  
which the assets or equity of another enterprise has been 29270  
transferred, which transfer resulted in the full or partial 29271  
nonrecognition of gain or loss, or resulted in a carryover 29272  
basis, both as determined by rule adopted by the tax 29273  
commissioner. 29274

(Y) "Successor enterprise" means an enterprise to which 29275  
the assets or equity of another enterprise has been transferred, 29276  
which transfer resulted in the full or partial nonrecognition of 29277  
gain or loss, or resulted in a carryover basis, both as 29278  
determined by rule adopted by the tax commissioner. 29279

(Z) "Megaproject," "megaproject operator," and 29280  
"megaproject supplier" have the same meanings as in section 29281  
122.17 of the Revised Code. 29282

**Sec. 5709.62.** (A) In any municipal corporation that is 29283  
defined by the United States office of management and budget as 29284  
a principal city of a metropolitan statistical area, the 29285  
legislative authority of the municipal corporation may designate 29286  
one or more areas within its municipal corporation as proposed 29287  
enterprise zones. Upon designating an area, the legislative 29288  
authority shall petition the director of housing and development 29289  
~~services~~ for certification of the area as having the 29290  
characteristics set forth in division (A)(1) of section 5709.61 29291  
of the Revised Code as amended by Substitute Senate Bill No. 19 29292  
of the 120th general assembly. Except as otherwise provided in 29293  
division (E) of this section, on and after July 1, 1994, 29294  
legislative authorities shall not enter into agreements under 29295  
this section unless the legislative authority has petitioned the 29296

director and the director has certified the zone under this 29297  
section as amended by that act; however, all agreements entered 29298  
into under this section as it existed prior to July 1, 1994, and 29299  
the incentives granted under those agreements shall remain in 29300  
effect for the period agreed to under those agreements. Within 29301  
sixty days after receiving such a petition, the director shall 29302  
determine whether the area has the characteristics set forth in 29303  
division (A)(1) of section 5709.61 of the Revised Code, and 29304  
shall forward the findings to the legislative authority of the 29305  
municipal corporation. If the director certifies the area as 29306  
having those characteristics, and thereby certifies it as a 29307  
zone, the legislative authority may enter into an agreement with 29308  
an enterprise under division (C) of this section. 29309

(B) Any enterprise that wishes to enter into an agreement 29310  
with a municipal corporation under division (C) of this section 29311  
shall submit a proposal to the legislative authority of the 29312  
municipal corporation on a form prescribed by the director of 29313  
housing and development services, together with the application 29314  
fee established under section 5709.68 of the Revised Code. The 29315  
form shall require the following information: 29316

(1) An estimate of the number of new employees whom the 29317  
enterprise intends to hire, or of the number of employees whom 29318  
the enterprise intends to retain, within the zone at a facility 29319  
that is a project site, and an estimate of the amount of payroll 29320  
of the enterprise attributable to these employees; 29321

(2) An estimate of the amount to be invested by the 29322  
enterprise to establish, expand, renovate, or occupy a facility, 29323  
including investment in new buildings, additions or improvements 29324  
to existing buildings, machinery, equipment, furniture, 29325  
fixtures, and inventory; 29326



(3) A listing of the enterprise's current investment, if 29327  
any, in a facility as of the date of the proposal's submission. 29328

The enterprise shall review and update the listings 29329  
required under this division to reflect material changes, and 29330  
any agreement entered into under division (C) of this section 29331  
shall set forth final estimates and listings as of the time the 29332  
agreement is entered into. The legislative authority may, on a 29333  
separate form and at any time, require any additional 29334  
information necessary to determine whether an enterprise is in 29335  
compliance with an agreement and to collect the information 29336  
required to be reported under section 5709.68 of the Revised 29337  
Code. 29338

(C) Upon receipt and investigation of a proposal under 29339  
division (B) of this section, if the legislative authority finds 29340  
that the enterprise submitting the proposal is qualified by 29341  
financial responsibility and business experience to create and 29342  
preserve employment opportunities in the zone and improve the 29343  
economic climate of the municipal corporation, the legislative 29344  
authority may do one of the following: 29345

(1) Enter into an agreement with the enterprise under 29346  
which the enterprise agrees to establish, expand, renovate, or 29347  
occupy a facility and hire new employees, or preserve employment 29348  
opportunities for existing employees, in return for one or more 29349  
of the following incentives: 29350

(a) Exemption for a specified number of years, not to 29351  
exceed fifteen, of a specified portion, up to seventy-five per 29352  
cent, of the assessed value of tangible personal property first 29353  
used in business at the project site as a result of the 29354  
agreement. If an exemption for inventory is specifically granted 29355  
in the agreement pursuant to this division, the exemption 29356

applies to inventory required to be listed pursuant to sections 29357  
5711.15 and 5711.16 of the Revised Code, except that, in the 29358  
instance of an expansion or other situations in which an 29359  
enterprise was in business at the facility prior to the 29360  
establishment of the zone, the inventory that is exempt is that 29361  
amount or value of inventory in excess of the amount or value of 29362  
inventory required to be listed in the personal property tax 29363  
return of the enterprise in the return for the tax year in which 29364  
the agreement is entered into. 29365

(b) Exemption for a specified number of years, not to 29366  
exceed fifteen, of a specified portion, up to seventy-five per 29367  
cent, of the increase in the assessed valuation of real property 29368  
constituting the project site subsequent to formal approval of 29369  
the agreement by the legislative authority; 29370

(c) Provision for a specified number of years, not to 29371  
exceed fifteen, of any optional services or assistance that the 29372  
municipal corporation is authorized to provide with regard to 29373  
the project site. 29374

(2) Enter into an agreement under which the enterprise 29375  
agrees to remediate an environmentally contaminated facility, to 29376  
spend an amount equal to at least two hundred fifty per cent of 29377  
the true value in money of the real property of the facility 29378  
prior to remediation as determined for the purposes of property 29379  
taxation to establish, expand, renovate, or occupy the 29380  
remediated facility, and to hire new employees or preserve 29381  
employment opportunities for existing employees at the 29382  
remediated facility, in return for one or more of the following 29383  
incentives: 29384

(a) Exemption for a specified number of years, not to 29385  
exceed fifteen, of a specified portion, not to exceed fifty per 29386

cent, of the assessed valuation of the real property of the 29387  
facility prior to remediation; 29388

(b) Exemption for a specified number of years, not to 29389  
exceed fifteen, of a specified portion, not to exceed one 29390  
hundred per cent, of the increase in the assessed valuation of 29391  
the real property of the facility during or after remediation; 29392

(c) The incentive under division (C) (1) (a) of this 29393  
section, except that the percentage of the assessed value of 29394  
such property exempted from taxation shall not exceed one 29395  
hundred per cent; 29396

(d) The incentive under division (C) (1) (c) of this 29397  
section. 29398

(3) Enter into an agreement with an enterprise that plans 29399  
to purchase and operate a large manufacturing facility that has 29400  
ceased operation or announced its intention to cease operation, 29401  
in return for exemption for a specified number of years, not to 29402  
exceed fifteen, of a specified portion, up to one hundred per 29403  
cent, of the assessed value of tangible personal property used 29404  
in business at the project site as a result of the agreement, or 29405  
of the assessed valuation of real property constituting the 29406  
project site, or both; 29407

(4) Enter into an agreement with an enterprise that either 29408  
is the owner of real property constituting the site of a 29409  
megaproject or is a megaproject supplier in return for an 29410  
exemption for a specified number of years, not to exceed thirty, 29411  
of a specified portion, up to one hundred per cent, of the 29412  
increase in the assessed value of real property constituting the 29413  
site of a megaproject or real property owned and occupied by the 29414  
megaproject supplier, respectively, beginning after the tax year 29415

in which the agreement is formally approved by the legislative 29416  
authority. 29417

(D) (1) Notwithstanding divisions (C) (1) (a) and (b) of this 29418  
section, the portion of the assessed value of tangible personal 29419  
property or of the increase in the assessed valuation of real 29420  
property exempted from taxation under those divisions may exceed 29421  
seventy-five per cent in any year for which that portion is 29422  
exempted if the average percentage exempted for all years in 29423  
which the agreement is in effect does not exceed sixty per cent, 29424  
or if the board of education of the city, local, or exempted 29425  
village school district within the territory of which the 29426  
property is or will be located approves a percentage in excess 29427  
of seventy-five per cent. 29428

(2) Notwithstanding any provision of the Revised Code to 29429  
the contrary, the exemptions described in divisions (C) (1) (a), 29430  
(b), and (c), (C) (2) (a), (b), and (c), and (C) (3) of this 29431  
section may be for up to fifteen years and the exemption 29432  
described in division (C) (4) of this section may be for up to 29433  
thirty years if the board of education of the city, local, or 29434  
exempted village school district within the territory of which 29435  
the property is or will be located approves a number of years in 29436  
excess of ten. 29437

(3) For the purpose of obtaining the approval of a city, 29438  
local, or exempted village school district under division (D) (1) 29439  
or (2) of this section, the legislative authority shall deliver 29440  
to the board of education a notice not later than forty-five 29441  
days prior to approving the agreement, excluding Saturdays, 29442  
Sundays, and legal holidays as defined in section 1.14 of the 29443  
Revised Code. The notice shall state the percentage to be 29444  
exempted, an estimate of the true value of the property to be 29445

exempted, and the number of years the property is to be 29446  
exempted. The board of education, by resolution adopted by a 29447  
majority of the board, shall approve or disapprove the agreement 29448  
and certify a copy of the resolution to the legislative 29449  
authority not later than fourteen days prior to the date 29450  
stipulated by the legislative authority as the date upon which 29451  
approval of the agreement is to be formally considered by the 29452  
legislative authority. The board of education may include in the 29453  
resolution conditions under which the board would approve the 29454  
agreement, including the execution of an agreement to compensate 29455  
the school district under division (B) of section 5709.82 of the 29456  
Revised Code. The legislative authority may approve the 29457  
agreement at any time after the board of education certifies its 29458  
resolution approving the agreement to the legislative authority, 29459  
or, if the board approves the agreement conditionally, at any 29460  
time after the conditions are agreed to by the board and the 29461  
legislative authority. If an agreement is negotiated between the 29462  
legislative authority and the board to compensate the school 29463  
district for all or part of the taxes exempted, the legislative 29464  
authority shall compensate the joint vocational school district 29465  
within which the property is located at the same rate and under 29466  
the same terms received by the city, local, or exempted village 29467  
school district. 29468

If a board of education has adopted a resolution waiving 29469  
its right to approve agreements and the resolution remains in 29470  
effect, approval of an agreement by the board is not required 29471  
under this division. If a board of education has adopted a 29472  
resolution allowing a legislative authority to deliver the 29473  
notice required under this division fewer than forty-five 29474  
business days prior to the legislative authority's approval of 29475  
the agreement, the legislative authority shall deliver the 29476

notice to the board not later than the number of days prior to 29477  
such approval as prescribed by the board in its resolution. If a 29478  
board of education adopts a resolution waiving its right to 29479  
approve agreements or shortening the notification period, the 29480  
board shall certify a copy of the resolution to the legislative 29481  
authority. If the board of education rescinds such a resolution, 29482  
it shall certify notice of the rescission to the legislative 29483  
authority. 29484

(4) The legislative authority shall comply with section 29485  
5709.83 of the Revised Code unless the board of education has 29486  
adopted a resolution under that section waiving its right to 29487  
receive such notice. 29488

(E) This division applies to zones certified by the 29489  
director of housing and development services ~~services~~ under this section 29490  
prior to July 22, 1994. 29491

The legislative authority that designated a zone to which 29492  
this division applies may enter into an agreement with an 29493  
enterprise if the legislative authority finds that the 29494  
enterprise satisfies one of the criteria described in divisions 29495  
(E) (1) to (5) of this section: 29496

(1) The enterprise currently has no operations in this 29497  
state and, subject to approval of the agreement, intends to 29498  
establish operations in the zone; 29499

(2) The enterprise currently has operations in this state 29500  
and, subject to approval of the agreement, intends to establish 29501  
operations at a new location in the zone that would not result 29502  
in a reduction in the number of employee positions at any of the 29503  
enterprise's other locations in this state; 29504

(3) The enterprise, subject to approval of the agreement, 29505

intends to relocate operations, currently located in another 29506  
state, to the zone; 29507

(4) The enterprise, subject to approval of the agreement, 29508  
intends to expand operations at an existing site in the zone 29509  
that the enterprise currently operates; 29510

(5) The enterprise, subject to approval of the agreement, 29511  
intends to relocate operations, currently located in this state, 29512  
to the zone, and the director of housing and development 29513  
~~services~~ has issued a waiver for the enterprise under division 29514  
(B) of section 5709.633 of the Revised Code. 29515

The agreement shall require the enterprise to agree to 29516  
establish, expand, renovate, or occupy a facility in the zone 29517  
and hire new employees, or preserve employment opportunities for 29518  
existing employees, in return for one or more of the incentives 29519  
described in division (C) of this section. 29520

(F) All agreements entered into under this section shall 29521  
be in the form prescribed under section 5709.631 of the Revised 29522  
Code. After an agreement is entered into under this section, if 29523  
the legislative authority revokes its designation of a zone, or 29524  
if the director of housing and development ~~services~~ revokes a 29525  
zone's certification, any entitlements granted under the 29526  
agreement shall continue for the number of years specified in 29527  
the agreement. 29528

(G) Except as otherwise provided in this division, an 29529  
agreement entered into under this section shall require that the 29530  
enterprise pay an annual fee equal to the greater of one per 29531  
cent of the dollar value of incentives offered under the 29532  
agreement or five hundred dollars; provided, however, that if 29533  
the value of the incentives exceeds two hundred fifty thousand 29534

dollars, the fee shall not exceed two thousand five hundred 29535  
dollars. The fee shall be payable to the legislative authority 29536  
once per year for each year the agreement is effective on the 29537  
days and in the form specified in the agreement. Fees paid shall 29538  
be deposited in a special fund created for such purpose by the 29539  
legislative authority and shall be used by the legislative 29540  
authority exclusively for the purpose of complying with section 29541  
5709.68 of the Revised Code and by the tax incentive review 29542  
council created under section 5709.85 of the Revised Code 29543  
exclusively for the purposes of performing the duties prescribed 29544  
under that section. The legislative authority may waive or 29545  
reduce the amount of the fee charged against an enterprise, but 29546  
such a waiver or reduction does not affect the obligations of 29547  
the legislative authority or the tax incentive review council to 29548  
comply with section 5709.68 or 5709.85 of the Revised Code. 29549

(H) When an agreement is entered into pursuant to this 29550  
section, the legislative authority authorizing the agreement 29551  
shall forward a copy of the agreement to the director of housing 29552  
and development services and to the tax commissioner within 29553  
fifteen days after the agreement is entered into. If any 29554  
agreement includes terms not provided for in section 5709.631 of 29555  
the Revised Code affecting the revenue of a city, local, 29556  
exempted village, or joint vocational school district or causing 29557  
revenue to be forgone by the district, including any 29558  
compensation to be paid to the school district pursuant to 29559  
section 5709.82 of the Revised Code, those terms also shall be 29560  
forwarded in writing to the director of housing and development 29561  
~~services~~ along with the copy of the agreement forwarded under 29562  
this division. 29563

(I) After an agreement is entered into, the enterprise 29564  
shall file with each personal property tax return required to be 29565



filed, or annual report required to be filed under section 29566  
5727.08 of the Revised Code, while the agreement is in effect, 29567  
an informational return, on a form prescribed by the tax 29568  
commissioner for that purpose, setting forth separately the 29569  
property, and related costs and values, exempted from taxation 29570  
under the agreement. 29571

(J) Enterprises may agree to give preference to residents 29572  
of the zone within which the agreement applies relative to 29573  
residents of this state who do not reside in the zone when 29574  
hiring new employees under the agreement. 29575

(K) An agreement entered into under this section may 29576  
include a provision requiring the enterprise to create one or 29577  
more temporary internship positions for students enrolled in a 29578  
course of study at a school or other educational institution in 29579  
the vicinity, and to create a scholarship or provide another 29580  
form of educational financial assistance for students holding 29581  
such a position in exchange for the student's commitment to work 29582  
for the enterprise at the completion of the internship. 29583

(L) The tax commissioner's authority in determining the 29584  
accuracy of any exemption granted by an agreement entered into 29585  
under this section is limited to divisions (C) (1) (a) and (b), 29586  
(C) (2) (a), (b), and (c), (C) (3) and (4), (D), and (I) of this 29587  
section and divisions (B) (1) to (10) of section 5709.631 of the 29588  
Revised Code and, as authorized by law, to enforcing any 29589  
modification to, or revocation of, that agreement by the 29590  
legislative authority of a municipal corporation or the director 29591  
of housing and development~~services~~. 29592

**Sec. 5709.63.** (A) With the consent of the legislative 29593  
authority of each affected municipal corporation or of a board 29594  
of township trustees, a board of county commissioners may, in 29595

the manner set forth in section 5709.62 of the Revised Code, 29596  
designate one or more areas in one or more municipal 29597  
corporations or in unincorporated areas of the county as 29598  
proposed enterprise zones. A board of county commissioners may 29599  
designate no more than one area within a township, or within 29600  
adjacent townships, as a proposed enterprise zone. The board 29601  
shall petition the director of housing and development ~~services~~ 29602  
for certification of the area as having the characteristics set 29603  
forth in division (A)(1) or (2) of section 5709.61 of the 29604  
Revised Code as amended by Substitute Senate Bill No. 19 of the 29605  
120th general assembly. Except as otherwise provided in division 29606  
(D) of this section, on and after July 1, 1994, boards of county 29607  
commissioners shall not enter into agreements under this section 29608  
unless the board has petitioned the director and the director 29609  
has certified the zone under this section as amended by that 29610  
act; however, all agreements entered into under this section as 29611  
it existed prior to July 1, 1994, and the incentives granted 29612  
under those agreements shall remain in effect for the period 29613  
agreed to under those agreements. The director shall make the 29614  
determination in the manner provided under section 5709.62 of 29615  
the Revised Code. 29616

Any enterprise wishing to enter into an agreement with the 29617  
board under division (B) or (D) of this section shall submit a 29618  
proposal to the board on the form and accompanied by the 29619  
application fee prescribed under division (B) of section 5709.62 29620  
of the Revised Code. The enterprise shall review and update the 29621  
estimates and listings required by the form in the manner 29622  
required under that division. The board may, on a separate form 29623  
and at any time, require any additional information necessary to 29624  
determine whether an enterprise is in compliance with an 29625  
agreement and to collect the information required to be reported 29626

under section 5709.68 of the Revised Code. 29627

(B) If the board of county commissioners finds that an 29628  
enterprise submitting a proposal is qualified by financial 29629  
responsibility and business experience to create and preserve 29630  
employment opportunities in the zone and to improve the economic 29631  
climate of the municipal corporation or municipal corporations 29632  
or the unincorporated areas in which the zone is located and to 29633  
which the proposal applies, the board, with the consent of the 29634  
legislative authority of each affected municipal corporation or 29635  
of the board of township trustees, may do one of the following: 29636

(1) Enter into an agreement with the enterprise under 29637  
which the enterprise agrees to establish, expand, renovate, or 29638  
occupy a facility in the zone and hire new employees, or 29639  
preserve employment opportunities for existing employees, in 29640  
return for the following incentives: 29641

(a) When the facility is located in a municipal 29642  
corporation, the board may enter into an agreement for one or 29643  
more of the incentives provided in division (C) of section 29644  
5709.62 of the Revised Code, subject to division (D) of that 29645  
section; 29646

(b) When the facility is located in an unincorporated 29647  
area, the board may enter into an agreement for one or more of 29648  
the following incentives: 29649

(i) Exemption for a specified number of years, not to 29650  
exceed fifteen, of a specified portion, up to sixty per cent, of 29651  
the assessed value of tangible personal property first used in 29652  
business at a project site as a result of the agreement. If an 29653  
exemption for inventory is specifically granted in the agreement 29654  
pursuant to this division, the exemption applies to inventory 29655

required to be listed pursuant to sections 5711.15 and 5711.16 29656  
of the Revised Code, except, in the instance of an expansion or 29657  
other situations in which an enterprise was in business at the 29658  
facility prior to the establishment of the zone, the inventory 29659  
that is exempt is that amount or value of inventory in excess of 29660  
the amount or value of inventory required to be listed in the 29661  
personal property tax return of the enterprise in the return for 29662  
the tax year in which the agreement is entered into. 29663

(ii) Exemption for a specified number of years, not to 29664  
exceed fifteen, of a specified portion, up to sixty per cent, of 29665  
the increase in the assessed valuation of real property 29666  
constituting the project site subsequent to formal approval of 29667  
the agreement by the board; 29668

(iii) Provision for a specified number of years, not to 29669  
exceed fifteen, of any optional services or assistance the board 29670  
is authorized to provide with regard to the project site; 29671

(iv) The incentive described in division (C) (2) of section 29672  
5709.62 of the Revised Code. 29673

(2) Enter into an agreement with an enterprise that plans 29674  
to purchase and operate a large manufacturing facility that has 29675  
ceased operation or has announced its intention to cease 29676  
operation, in return for exemption for a specified number of 29677  
years, not to exceed fifteen, of a specified portion, up to one 29678  
hundred per cent, of tangible personal property used in business 29679  
at the project site as a result of the agreement, or of real 29680  
property constituting the project site, or both; 29681

(3) Enter into an agreement with an enterprise that either 29682  
is the owner of real property constituting the site of a 29683  
megaproject or is a megaproject supplier in return for an 29684

exemption for a specified number of years, not to exceed thirty, 29685  
of a specified portion, up to one hundred per cent, of the 29686  
increase in the assessed value of real property constituting the 29687  
site of a megaproject or real property owned and occupied by the 29688  
megaproject supplier, respectively, beginning after the tax year 29689  
in which the agreement is formally approved by the legislative 29690  
authority. 29691

(C) (1) (a) Notwithstanding divisions (B) (1) (b) (i) and (ii) 29692  
of this section, the portion of the assessed value of tangible 29693  
personal property or of the increase in the assessed valuation 29694  
of real property exempted from taxation under those divisions 29695  
may exceed sixty per cent in any year for which that portion is 29696  
exempted if the average percentage exempted for all years in 29697  
which the agreement is in effect does not exceed fifty per cent, 29698  
or if the board of education of the city, local, or exempted 29699  
village school district within the territory of which the 29700  
property is or will be located approves a percentage in excess 29701  
of sixty per cent. 29702

(b) Notwithstanding any provision of the Revised Code to 29703  
the contrary, the exemptions described in divisions (B) (1) (b) 29704  
(i), (ii), (iii), and (iv) and (B) (2) of this section may be for 29705  
up to fifteen years and the exemption described in division (B) 29706  
(3) of this section may be for up to thirty years if the board 29707  
of education of the city, local, or exempted village school 29708  
district within the territory of which the property is or will 29709  
be located approves a number of years in excess of ten. 29710

(c) For the purpose of obtaining the approval of a city, 29711  
local, or exempted village school district under division (C) (1) 29712  
(a) or (b) of this section, the board of county commissioners 29713  
shall deliver to the board of education a notice not later than 29714

forty-five days prior to approving the agreement, excluding 29715  
Saturdays, Sundays, and legal holidays as defined in section 29716  
1.14 of the Revised Code. The notice shall state the percentage 29717  
to be exempted, an estimate of the true value of the property to 29718  
be exempted, and the number of years the property is to be 29719  
exempted. The board of education, by resolution adopted by a 29720  
majority of the board, shall approve or disapprove the agreement 29721  
and certify a copy of the resolution to the board of county 29722  
commissioners not later than fourteen days prior to the date 29723  
stipulated by the board of county commissioners as the date upon 29724  
which approval of the agreement is to be formally considered by 29725  
the board of county commissioners. The board of education may 29726  
include in the resolution conditions under which the board would 29727  
approve the agreement, including the execution of an agreement 29728  
to compensate the school district under division (B) of section 29729  
5709.82 of the Revised Code. The board of county commissioners 29730  
may approve the agreement at any time after the board of 29731  
education certifies its resolution approving the agreement to 29732  
the board of county commissioners, or, if the board of education 29733  
approves the agreement conditionally, at any time after the 29734  
conditions are agreed to by the board of education and the board 29735  
of county commissioners. If an agreement is negotiated between 29736  
the legislative authority and the board to compensate the school 29737  
district for all or part of the taxes exempted, the legislative 29738  
authority shall compensate the joint vocational school district 29739  
within which the property is located at the same rate and under 29740  
the same terms received by the city, local, or exempted village 29741  
school district. 29742

If a board of education has adopted a resolution waiving 29743  
its right to approve agreements and the resolution remains in 29744  
effect, approval of an agreement by the board of education is 29745

not required under division (C) of this section. If a board of  
education has adopted a resolution allowing a board of county  
commissioners to deliver the notice required under this division  
fewer than forty-five business days prior to approval of the  
agreement by the board of county commissioners, the board of  
county commissioners shall deliver the notice to the board of  
education not later than the number of days prior to such  
approval as prescribed by the board of education in its  
resolution. If a board of education adopts a resolution waiving  
its right to approve agreements or shortening the notification  
period, the board of education shall certify a copy of the  
resolution to the board of county commissioners. If the board of  
education rescinds such a resolution, it shall certify notice of  
the rescission to the board of county commissioners.

(2) The board of county commissioners shall comply with  
section 5709.83 of the Revised Code unless the board of  
education has adopted a resolution under that section waiving  
its right to receive such notice.

(D) This division applies to zones certified by the  
director of housing and development ~~services~~ under this section  
prior to July 22, 1994.

With the consent of the legislative authority of each  
affected municipal corporation or board of township trustees of  
each affected township, the board of county commissioners that  
designated a zone to which this division applies may enter into  
an agreement with an enterprise if the board finds that the  
enterprise satisfies one of the criteria described in divisions  
(D) (1) to (5) of this section:

(1) The enterprise currently has no operations in this  
state and, subject to approval of the agreement, intends to

establish operations in the zone; 29776

(2) The enterprise currently has operations in this state 29777  
and, subject to approval of the agreement, intends to establish 29778  
operations at a new location in the zone that would not result 29779  
in a reduction in the number of employee positions at any of the 29780  
enterprise's other locations in this state; 29781

(3) The enterprise, subject to approval of the agreement, 29782  
intends to relocate operations, currently located in another 29783  
state, to the zone; 29784

(4) The enterprise, subject to approval of the agreement, 29785  
intends to expand operations at an existing site in the zone 29786  
that the enterprise currently operates; 29787

(5) The enterprise, subject to approval of the agreement, 29788  
intends to relocate operations, currently located in this state, 29789  
to the zone, and the director of housing and development 29790  
~~services~~ has issued a waiver for the enterprise under division 29791  
(B) of section 5709.633 of the Revised Code. 29792

The agreement shall require the enterprise to agree to 29793  
establish, expand, renovate, or occupy a facility in the zone 29794  
and hire new employees, or preserve employment opportunities for 29795  
existing employees, in return for one or more of the incentives 29796  
described in division (B) of this section. 29797

(E) All agreements entered into under this section shall 29798  
be in the form prescribed under section 5709.631 of the Revised 29799  
Code. After an agreement under this section is entered into, if 29800  
the board of county commissioners revokes its designation of a 29801  
zone, or if the director of housing and development ~~services~~ 29802  
revokes a zone's certification, any entitlements granted under 29803  
the agreement shall continue for the number of years specified 29804



in the agreement. 29805

(F) Except as otherwise provided in this division, an 29806  
agreement entered into under this section shall require that the 29807  
enterprise pay an annual fee equal to the greater of one per 29808  
cent of the dollar value of incentives offered under the 29809  
agreement or five hundred dollars; provided, however, that if 29810  
the value of the incentives exceeds two hundred fifty thousand 29811  
dollars, the fee shall not exceed two thousand five hundred 29812  
dollars. The fee shall be payable to the board of county 29813  
commissioners once per year for each year the agreement is 29814  
effective on the days and in the form specified in the 29815  
agreement. Fees paid shall be deposited in a special fund 29816  
created for such purpose by the board and shall be used by the 29817  
board exclusively for the purpose of complying with section 29818  
5709.68 of the Revised Code and by the tax incentive review 29819  
council created under section 5709.85 of the Revised Code 29820  
exclusively for the purposes of performing the duties prescribed 29821  
under that section. The board may waive or reduce the amount of 29822  
the fee charged against an enterprise, but such waiver or 29823  
reduction does not affect the obligations of the board or the 29824  
tax incentive review council to comply with section 5709.68 or 29825  
5709.85 of the Revised Code, respectively. 29826

(G) With the approval of the legislative authority of a 29827  
municipal corporation or the board of township trustees of a 29828  
township in which a zone is designated under division (A) of 29829  
this section, the board of county commissioners may delegate to 29830  
that legislative authority or board any powers and duties of the 29831  
board of county commissioners to negotiate and administer 29832  
agreements with regard to that zone under this section. 29833

(H) When an agreement is entered into pursuant to this 29834

section, the board of county commissioners authorizing the 29835  
agreement or the legislative authority or board of township 29836  
trustees that negotiates and administers the agreement shall 29837  
forward a copy of the agreement to the director of housing and 29838  
development services and to the tax commissioner within fifteen 29839  
days after the agreement is entered into. If any agreement 29840  
includes terms not provided for in section 5709.631 of the 29841  
Revised Code affecting the revenue of a city, local, exempted 29842  
village, or joint vocational school district or causing revenue 29843  
to be foregone by the district, including any compensation to be 29844  
paid to the school district pursuant to section 5709.82 of the 29845  
Revised Code, those terms also shall be forwarded in writing to 29846  
the director of housing and development services along with the 29847  
copy of the agreement forwarded under this division. 29848

(I) After an agreement is entered into, the enterprise 29849  
shall file with each personal property tax return required to be 29850  
filed, or annual report that is required to be filed under 29851  
section 5727.08 of the Revised Code, while the agreement is in 29852  
effect, an informational return, on a form prescribed by the tax 29853  
commissioner for that purpose, setting forth separately the 29854  
property, and related costs and values, exempted from taxation 29855  
under the agreement. 29856

(J) Enterprises may agree to give preference to residents 29857  
of the zone within which the agreement applies relative to 29858  
residents of this state who do not reside in the zone when 29859  
hiring new employees under the agreement. 29860

(K) An agreement entered into under this section may 29861  
include a provision requiring the enterprise to create one or 29862  
more temporary internship positions for students enrolled in a 29863  
course of study at a school or other educational institution in 29864

the vicinity, and to create a scholarship or provide another 29865  
form of educational financial assistance for students holding 29866  
such a position in exchange for the student's commitment to work 29867  
for the enterprise at the completion of the internship. 29868

(L) The tax commissioner's authority in determining the 29869  
accuracy of any exemption granted by an agreement entered into 29870  
under this section is limited to divisions (B) (1) (b) (i) and 29871  
(ii), (B) (2) and (3), (C), and (I) of this section, division (B) 29872  
(1) (b) (iv) of this section as it pertains to divisions (C) (2) 29873  
(a), (b), and (c) of section 5709.62 of the Revised Code, and 29874  
divisions (B) (1) to (10) of section 5709.631 of the Revised Code 29875  
and, as authorized by law, to enforcing any modification to, or 29876  
revocation of, that agreement by the board of county 29877  
commissioners or the director of housing and development 29878  
~~services~~ or, if the board's powers and duties are delegated 29879  
under division (G) of this section, by the legislative authority 29880  
of a municipal corporation or board of township trustees. 29881

**Sec. 5709.631.** Each agreement entered into under sections 29882  
5709.62, 5709.63, and 5709.632 of the Revised Code on or after 29883  
April 1, 1994, shall be in writing and shall include all of the 29884  
information and statements prescribed by this section. 29885  
Agreements may include terms not prescribed by this section, but 29886  
such terms shall in no way derogate from the information and 29887  
statements prescribed by this section. 29888

(A) Each agreement shall include the following 29889  
information: 29890

- (1) The names of all parties to the agreement; 29891
- (2) A description of the investments to be made by the 29892  
applicant enterprise or by another party at the facility whether 29893

or not the investments are exempted from taxation, including 29894  
existing or new building size and cost thereof; the value of 29895  
machinery, equipment, furniture, and fixtures, including an 29896  
itemization of the value of machinery, equipment, furniture, and 29897  
fixtures used at another location in this state prior to the 29898  
agreement and relocated or to be relocated from that location to 29899  
the facility and the value of machinery, equipment, furniture, 29900  
and fixtures at the facility prior to the execution of the 29901  
agreement that will not be exempted from taxation; the value of 29902  
inventory at the facility, including an itemization of the value 29903  
of inventory held at another location in this state prior to the 29904  
agreement and relocated or to be relocated from that location to 29905  
the facility, and the value of inventory held at the facility 29906  
prior to the execution of the agreement that will not be 29907  
exempted from taxation; 29908

(3) The scheduled starting and completion dates of 29909  
investments made in building, machinery, equipment, furniture, 29910  
fixtures, and inventory; 29911

(4) Estimates of the number of employee positions to be 29912  
created each year of the agreement and of the number of employee 29913  
positions retained by the applicant enterprise due to the 29914  
project, itemized as to the number of full-time, part-time, 29915  
permanent, and temporary positions; 29916

(5) Estimates of the dollar amount of payroll attributable 29917  
to the positions set forth in division (A)(4) of this section, 29918  
similarly itemized; 29919

(6) The number of employee positions, if any, at the 29920  
project site and at any other location in the state at the time 29921  
the agreement is executed, itemized as to the number of full- 29922  
time, part-time, permanent, and temporary positions. 29923

(B) Each agreement shall set forth the following 29924  
information and incorporate the following statements: 29925

(1) A description of real property to be exempted from 29926  
taxation under the agreement, the percentage of the assessed 29927  
valuation of the real property exempted from taxation, and the 29928  
period for which the exemption is granted, accompanied by the 29929  
statement: "The exemption commences the first year for which the 29930  
real property would first be taxable were that property not 29931  
exempted from taxation. No exemption shall commence 29932  
after ..... (insert date) nor extend beyond ..... 29933  
(insert date)." The tax commissioner shall adopt rules 29934  
prescribing the form the description of such property shall 29935  
assume to ensure that the property to be exempted from taxation 29936  
under the agreement is distinguishable from property that is not 29937  
to be exempted under that agreement. 29938

(2) A description of tangible personal property to be 29939  
exempted from taxation under the agreement, the percentage of 29940  
the assessed value of the tangible personal property exempted 29941  
from taxation, and the period for which the exemption is 29942  
granted, accompanied by the statement: "The minimum investment 29943  
for tangible personal property to qualify for the exemption is 29944  
\$..... (insert dollar amount) to purchase machinery and 29945  
equipment first used in business at the facility as a result of 29946  
the project, \$..... (insert dollar amount) for furniture 29947  
and fixtures and other noninventory personal property first used 29948  
in business at the facility as a result of the project, and 29949  
\$..... (insert dollar amount) for new inventory. The 29950  
maximum investment for tangible personal property to qualify for 29951  
the exemption is \$..... (insert dollar amount) to purchase 29952  
machinery and equipment first used in business at the facility 29953  
as a result of the project, \$..... (insert dollar amount) 29954

for furniture and fixtures and other noninventory personal 29955  
property first used in business at the facility as a result of 29956  
the project, and \$..... (insert dollar amount) for new 29957  
inventory. The exemption commences the first year for which the 29958  
tangible personal property would first be taxable were that 29959  
property not exempted from taxation. No exemption shall commence 29960  
after tax return year ..... (insert year) nor extend beyond 29961  
tax return year ..... (insert year). In no instance shall 29962  
any tangible personal property be exempted from taxation for 29963  
more than ten return years unless, under division (D) (2) of 29964  
section 5709.62 or under division (C) (1) (b) of section 5709.63 29965  
of the Revised Code, the board of education approves exemption 29966  
for a number of years in excess of ten, in which case the 29967  
tangible personal property may be exempted from taxation for 29968  
that number of years, not to exceed fifteen return years." No 29969  
exemption shall be allowed for any type of tangible personal 29970  
property if the total investment is less than the minimum dollar 29971  
amount specified for that type of property. If, for a type of 29972  
tangible personal property, there are no minimum or maximum 29973  
investment dollar amounts specified in the statement or the 29974  
dollar amounts are designated in the statement as not 29975  
applicable, the exemption shall apply to the total cost of that 29976  
type of tangible personal property first used in business at the 29977  
facility as a result of the project. The tax commissioner shall 29978  
adopt rules prescribing the form the description of such 29979  
property shall assume to ensure that the property to be exempted 29980  
from taxation under the agreement is distinguishable from 29981  
property that is not to be exempted under that agreement. 29982

(3) "..... (insert name of enterprise) shall pay such 29983  
real and tangible personal property taxes as are not exempted 29984  
under this agreement and are charged against such property and 29985

shall file all tax reports and returns as required by law. 29986  
If ..... (insert name of enterprise) fails to pay such 29987  
taxes or file such returns and reports, all incentives granted 29988  
under this agreement are rescinded beginning with the year for 29989  
which such taxes are charged or such reports or returns are 29990  
required to be filed and thereafter." 29991

(4) "..... (insert name of enterprise) hereby 29992  
certifies that at the time this agreement is 29993  
executed, ..... (insert name of enterprise) does not owe 29994  
any delinquent real or tangible personal property taxes to any 29995  
taxing authority of the State of Ohio, and does not owe 29996  
delinquent taxes for which ..... (insert name of 29997  
enterprise) is liable under Chapter 5727., 5733., 5735., 5739., 29998  
5741., 5743., 5747., or 5753. of the Revised Code, or, if such 29999  
delinquent taxes are owed, ..... (insert name of 30000  
enterprise) currently is paying the delinquent taxes pursuant to 30001  
a delinquent tax contract enforceable by the State of Ohio or an 30002  
agent or instrumentality thereof, has filed a petition in 30003  
bankruptcy under 11 U.S.C.A. 101, et seq., or such a petition 30004  
has been filed against ..... (insert name of enterprise). 30005  
For the purposes of the certification, delinquent taxes are 30006  
taxes that remain unpaid on the latest day prescribed for 30007  
payment without penalty under the chapter of the Revised Code 30008  
governing payment of those taxes." 30009

(5) "..... (insert name of municipal corporation or 30010  
county) shall perform such acts as are reasonably necessary or 30011  
appropriate to effect, claim, reserve, and maintain exemptions 30012  
from taxation granted under this agreement including, without 30013  
limitation, joining in the execution of all documentation and 30014  
providing any necessary certificates required in connection with 30015  
such exemptions." 30016

(6) "If for any reason the enterprise zone designation 30017  
expires, the Director of the Ohio Department of Housing and 30018  
Development revokes certification of the zone, or ..... 30019  
(insert name of municipal corporation or county) revokes the 30020  
designation of the zone, entitlements granted under this 30021  
agreement shall continue for the number of years specified under 30022  
this agreement, unless ..... (insert name of enterprise) 30023  
materially fails to fulfill its obligations under this agreement 30024  
and ..... (insert name of municipal corporation or county) 30025  
terminates or modifies the exemptions from taxation granted 30026  
under this agreement." 30027

(7) "If ..... (insert name of enterprise) materially 30028  
fails to fulfill its obligations under this agreement, other 30029  
than with respect to the number of employee positions estimated 30030  
to be created or retained under this agreement, or if ..... 30031  
(insert name of municipal corporation or county) determines that 30032  
the certification as to delinquent taxes required by this 30033  
agreement is fraudulent, ..... (insert name of municipal 30034  
corporation or county) may terminate or modify the exemptions 30035  
from taxation granted under this agreement." 30036

(8) "..... (insert name of enterprise) shall provide 30037  
to the proper tax incentive review council any information 30038  
reasonably required by the council to evaluate the enterprise's 30039  
compliance with the agreement, including returns or annual 30040  
reports filed pursuant to section 5711.02 or 5727.08 of the Ohio 30041  
Revised Code if requested by the council." 30042

(9) "..... (insert name of enterprise) and ..... 30043  
(insert name of municipal corporation or county) acknowledge 30044  
that this agreement must be approved by formal action of the 30045  
legislative authority of ..... (insert name of municipal 30046



corporation or county) as a condition for the agreement to take 30047  
effect. This agreement takes effect upon such approval." 30048

(10) "This agreement is not transferable or assignable 30049  
without the express, written approval of ..... (insert name 30050  
of municipal corporation or county)." 30051

(11) "Exemptions from taxation granted under this 30052  
agreement shall be revoked if it is determined 30053  
that ..... (insert name of enterprise), any successor 30054  
enterprise, or any related member (as those terms are defined in 30055  
section 5709.61 of the Ohio Revised Code) has violated the 30056  
prohibition against entering into this agreement under division 30057  
(C) of section 3735.671 or section 5709.62, 5709.63, or 5709.632 30058  
of the Ohio Revised Code prior to the time prescribed by that 30059  
division or either of those sections." 30060

(12) "In any three-year period during which this agreement 30061  
is in effect, if the actual number of employee positions created 30062  
or retained by..... (insert name of enterprise) is not equal 30063  
to or greater than seventy-five per cent of the number of 30064  
employee positions estimated to be created or retained under 30065  
this agreement during that three-year period,..... (insert 30066  
name of enterprise) shall repay the amount of taxes on property 30067  
that would have been payable had the property not been exempted 30068  
from taxation under this agreement during that three-year 30069  
period. In addition, the..... (insert name of municipal 30070  
corporation or county) may terminate or modify the exemptions 30071  
from taxation granted under this agreement." 30072

(13) If the enterprise is the owner of real property 30073  
constituting the site of a megaproject or is a megaproject 30074  
supplier, both of the following: 30075

(a) A requirement that the enterprise annually certify to the legislative authority whether the megaproject operator or megaproject supplier, as applicable, holds a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year;

(b) A provision authorizing the legislative authority to terminate the exemption for current and subsequent tax years if the megaproject operator or megaproject supplier, as applicable, does not hold a certificate issued under division (D) (7) of section 122.17 of the Revised Code on the first day of the current tax year.

The statement described in division (B) (7) of this section may include the following statement, appended at the end of the statement: "and may require the repayment of the amount of taxes that would have been payable had the property not been exempted from taxation under this agreement." If the agreement includes a statement requiring repayment of exempted taxes, it also may authorize the legislative authority to secure repayment of such taxes by a lien on the exempted property in the amount required to be repaid. Such a lien on exempted real property shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Notwithstanding section 5719.01 of the Revised Code, such a lien on exempted tangible personal property shall attach, and may be perfected, collected, and enforced, in the same manner as a security interest in goods under Chapter 1309. of the Revised Code, and shall otherwise have the same force and effect as such a security interest.

(C) If the director of housing and development had to

issue a waiver under section 5709.633 of the Revised Code as a 30106  
condition for the agreement to be executed, the agreement shall 30107  
include the following statement: 30108

"Continuation of this agreement is subject to the validity 30109  
of the circumstance upon which ..... (insert name of 30110  
enterprise) applied for, and the Director of the Ohio Department 30111  
of Housing and Development issued, the waiver pursuant to 30112  
section 5709.633 of the Ohio Revised Code. If, after formal 30113  
approval of this agreement by ..... (insert name of 30114  
municipal corporation or county), the Director or ..... 30115  
(insert name of municipal corporation or county) discovers that 30116  
such a circumstance did not exist, ..... (insert name of 30117  
enterprise) shall be deemed to have materially failed to comply 30118  
with this agreement." 30119

If the director issued a waiver on the basis of the 30120  
circumstance described in division (B) (3) of section 5709.633 of 30121  
the Ohio Revised Code, the conditions enumerated in divisions 30122  
(B) (3) (a) (i) and (ii) or divisions (B) (3) (b) (i) and (ii) of that 30123  
section shall be incorporated in the information described in 30124  
divisions (A) (2), (3), and (4) of this section. 30125

**Sec. 5709.632.** (A) (1) The legislative authority of a 30126  
municipal corporation defined by the United States office of 30127  
management and budget as a principal city of a metropolitan 30128  
statistical area may, in the manner set forth in section 5709.62 30129  
of the Revised Code, designate one or more areas in the 30130  
municipal corporation as a proposed enterprise zone. 30131

(2) With the consent of the legislative authority of each 30132  
affected municipal corporation or of a board of township 30133  
trustees, a board of county commissioners may, in the manner set 30134  
forth in section 5709.62 of the Revised Code, designate one or 30135

more areas in one or more municipal corporations or in 30136  
unincorporated areas of the county as proposed urban jobs and 30137  
enterprise zones, except that a board of county commissioners 30138  
may designate no more than one area within a township, or within 30139  
adjacent townships, as a proposed urban jobs and enterprise 30140  
zone. 30141

(3) The legislative authority or board of county 30142  
commissioners may petition the director of housing and 30143  
development ~~services~~ for certification of the area as having the 30144  
characteristics set forth in division (A) (3) of section 5709.61 30145  
of the Revised Code. Within sixty days after receiving such a 30146  
petition, the director shall determine whether the area has the 30147  
characteristics set forth in that division and forward the 30148  
findings to the legislative authority or board of county 30149  
commissioners. If the director certifies the area as having 30150  
those characteristics and thereby certifies it as a zone, the 30151  
legislative authority or board may enter into agreements with 30152  
enterprises under division (B) of this section. Any enterprise 30153  
wishing to enter into an agreement with a legislative authority 30154  
or board of county commissioners under this section and 30155  
satisfying one of the criteria described in divisions (B) (1) to 30156  
(5) of this section shall submit a proposal to the legislative 30157  
authority or board on the form prescribed under division (B) of 30158  
section 5709.62 of the Revised Code and shall review and update 30159  
the estimates and listings required by the form in the manner 30160  
required under that division. The legislative authority or board 30161  
may, on a separate form and at any time, require any additional 30162  
information necessary to determine whether an enterprise is in 30163  
compliance with an agreement and to collect the information 30164  
required to be reported under section 5709.68 of the Revised 30165  
Code. 30166

(B) Prior to entering into an agreement with an enterprise, the legislative authority or board of county commissioners shall determine whether the enterprise submitting the proposal is qualified by financial responsibility and business experience to create and preserve employment opportunities in the zone and to improve the economic climate of the municipal corporation or municipal corporations or the unincorporated areas in which the zone is located and to which the proposal applies, and whether the enterprise satisfies one of the following criteria:

(1) The enterprise currently has no operations in this state and, subject to approval of the agreement, intends to establish operations in the zone;

(2) The enterprise currently has operations in this state and, subject to approval of the agreement, intends to establish operations at a new location in the zone that would not result in a reduction in the number of employee positions at any of the enterprise's other locations in this state;

(3) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in another state, to the zone;

(4) The enterprise, subject to approval of the agreement, intends to expand operations at an existing site in the zone that the enterprise currently operates;

(5) The enterprise, subject to approval of the agreement, intends to relocate operations, currently located in this state, to the zone, and the director of housing and development services has issued a waiver for the enterprise under division (B) of section 5709.633 of the Revised Code.

(C) If the legislative authority or board determines that the enterprise is so qualified and satisfies one of the criteria described in divisions (B) (1) to (5) of this section, the legislative authority or board may, after complying with section 5709.83 of the Revised Code and, in the case of a board of commissioners, with the consent of the legislative authority of each affected municipal corporation or of the board of township trustees, enter into an agreement with the enterprise under which the enterprise agrees to establish, expand, renovate, or occupy a facility in the zone and hire new employees, or preserve employment opportunities for existing employees, in return for the following incentives:

(1) When the facility is located in a municipal corporation, a legislative authority or board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (C) (1), (2), and (3) of section 5709.62 of the Revised Code, subject to division (D) of that section, or for the incentive provided in division (C) (4) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(2) When the facility is located in an unincorporated area, a board of commissioners may enter into an agreement for one or more of the incentives provided in divisions (B) (1) (b) and (B) (2) of section 5709.63 of the Revised Code, subject to division (C) of that section, or for the incentive provided in division (B) (3) of that section if the enterprise is the owner of real property constituting the site of a megaproject or is a megaproject supplier.

(D) All agreements entered into under this section shall be in the form prescribed under section 5709.631 of the Revised

Code. After an agreement under this section is entered into, if 30226  
the legislative authority or board of county commissioners 30227  
revokes its designation of the zone, or if the director of 30228  
housing and development services ~~services~~ revokes the zone's 30229  
certification, any entitlements granted under the agreement 30230  
shall continue for the number of years specified in the 30231  
agreement. 30232

(E) Except as otherwise provided in this division, an 30233  
agreement entered into under this section shall require that the 30234  
enterprise pay an annual fee equal to the greater of one per 30235  
cent of the dollar value of incentives offered under the 30236  
agreement or five hundred dollars; provided, however, that if 30237  
the value of the incentives exceeds two hundred fifty thousand 30238  
dollars, the fee shall not exceed two thousand five hundred 30239  
dollars. The fee shall be payable to the legislative authority 30240  
or board of commissioners once per year for each year the 30241  
agreement is effective on the days and in the form specified in 30242  
the agreement. Fees paid shall be deposited in a special fund 30243  
created for such purpose by the legislative authority or board 30244  
and shall be used by the legislative authority or board 30245  
exclusively for the purpose of complying with section 5709.68 of 30246  
the Revised Code and by the tax incentive review council created 30247  
under section 5709.85 of the Revised Code exclusively for the 30248  
purposes of performing the duties prescribed under that section. 30249  
The legislative authority or board may waive or reduce the 30250  
amount of the fee charged against an enterprise, but such waiver 30251  
or reduction does not affect the obligations of the legislative 30252  
authority or board or the tax incentive review council to comply 30253  
with section 5709.68 or 5709.85 of the Revised Code, 30254  
respectively. 30255

(F) With the approval of the legislative authority of a 30256

municipal corporation or the board of township trustees of a 30257  
township in which a zone is designated under division (A) (2) of 30258  
this section, the board of county commissioners may delegate to 30259  
that legislative authority or board any powers and duties of the 30260  
board to negotiate and administer agreements with regard to that 30261  
zone under this section. 30262

(G) When an agreement is entered into pursuant to this 30263  
section, the legislative authority or board of commissioners 30264  
authorizing the agreement shall forward a copy of the agreement 30265  
to the director of housing and development ~~services~~ and to the 30266  
tax commissioner within fifteen days after the agreement is 30267  
entered into. If any agreement includes terms not provided for 30268  
in section 5709.631 of the Revised Code affecting the revenue of 30269  
a city, local, exempted village, or joint vocational school 30270  
district or causing revenue to be forgone by the district, 30271  
including any compensation to be paid to the school district 30272  
pursuant to section 5709.82 of the Revised Code, those terms 30273  
also shall be forwarded in writing to the director of housing 30274  
and development ~~services~~ along with the copy of the agreement 30275  
forwarded under this division. 30276

(H) After an agreement is entered into, the enterprise 30277  
shall file with each personal property tax return required to be 30278  
filed while the agreement is in effect, an informational return, 30279  
on a form prescribed by the tax commissioner for that purpose, 30280  
setting forth separately the property, and related costs and 30281  
values, exempted from taxation under the agreement. 30282

(I) An agreement entered into under this section may 30283  
include a provision requiring the enterprise to create one or 30284  
more temporary internship positions for students enrolled in a 30285  
course of study at a school or other educational institution in 30286



the vicinity, and to create a scholarship or provide another 30287  
form of educational financial assistance for students holding 30288  
such a position in exchange for the student's commitment to work 30289  
for the enterprise at the completion of the internship. 30290

**Sec. 5709.633.** (A) (1) Except as otherwise provided in 30291  
division (B) of this section, no legislative authority or board 30292  
of county commissioners shall enter into an agreement with an 30293  
enterprise under division (E) of section 5709.62, division (D) 30294  
of section 5709.63, or section 5709.632 of the Revised Code if 30295  
that enterprise or a successor enterprise currently has 30296  
operations at another location in this state and those 30297  
operations will be relocated to an enterprise zone upon or as a 30298  
result of that agreement. 30299

(2) Except as otherwise provided in division (B) of this 30300  
section, if an enterprise subject to an agreement granting an 30301  
exemption from taxation under section 5709.62, 5709.63, or 30302  
5709.632 of the Revised Code expands its operations or relocates 30303  
its operations to another location in this state that results in 30304  
a reduction of its operations at any Ohio location, or 30305  
discontinues operations at the project site to which that 30306  
exemption applies prior to the expiration of the term of the 30307  
agreement, no legislative authority shall enter into an 30308  
agreement with such an enterprise, a related member, or a 30309  
successor enterprise under section 5709.62, 5709.63, or 5709.632 30310  
of the Revised Code prior to five years after such expansion, 30311  
relocation, or discontinuation of operations. The director of 30312  
housing and development shall review all agreements entered into 30313  
under those sections to determine whether there has been a 30314  
violation of this paragraph and whether the requirements to be a 30315  
facility have been met. If the director discovers there has been 30316  
a violation of this paragraph or the requirements to be a 30317

facility have not been met, the agreement is void, and all 30318  
incentives granted under the agreement shall cease immediately. 30319  
The director shall certify to the legislative authority and to 30320  
the board of education of the city, local, or exempted village 30321  
school district to which operations were relocated that the 30322  
agreement is void. 30323

(B) Divisions (A) (1) and (2) of this section do not apply 30324  
if the director of housing and development waives application of 30325  
those divisions. The director may waive application of division 30326  
(A) (1) of this section if the enterprise or successor enterprise 30327  
demonstrates, by documentation satisfactory to the director, 30328  
that the relocation was necessitated by or results from one of 30329  
the circumstances described in divisions (B) (1) to (3) of this 30330  
section, and the director determines that under the circumstance 30331  
claimed and in light of the possible relocation issuance of a 30332  
waiver is absolutely necessary to attract or retain employment 30333  
opportunities in this state. The director may waive application 30334  
of division (A) (2) of this section, except for the provision 30335  
that the requirements to be a facility must be met, if the 30336  
enterprise, related member, or successor enterprise 30337  
demonstrates, by documentation satisfactory to the director, 30338  
that the discontinuation of operations was necessitated by or 30339  
resulted from one of the circumstances described in divisions 30340  
(B) (1) to (3) of this section, and the director determines that 30341  
under the circumstance claimed and in light of the possible 30342  
relocation issuance of a waiver is absolutely necessary to 30343  
attract or retain employment opportunities in this state. 30344

The circumstance that may be claimed shall be one of the 30345  
following: 30346

(1) The project site at which operations are or will be 30347

discontinued cannot accommodate expansion plans of the 30348  
enterprise due to inadequate land suitable for such expansion. 30349

(2) Conditions in the markets in which the enterprise 30350  
participates require that the enterprise relocate operations in 30351  
order for the enterprise to become or remain competitive in that 30352  
market. These conditions include, but are not limited to, any of 30353  
the following: 30354

(a) New or modified contracts with customers or suppliers, 30355  
such as "just-in-time" supply or similar arrangements; 30356

(b) Changes in the enterprise's production methods; 30357

(c) Loss or impending loss of an existing contract 30358  
requires expansion into another market in order to maintain 30359  
production levels; 30360

(d) Changes in ownership or other changes in control of 30361  
the enterprise, or of a controlled group of corporations of 30362  
which the enterprise is a subsidiary, that result from a 30363  
decision on the part of owners or officers located outside this 30364  
state. 30365

(3) The enterprise currently is subject to a consolidation 30366  
of its operations, or such a consolidation is imminent. For 30367  
purposes of division (B) (3) of this section, "consolidation" 30368  
means an enterprise combines the operations of two or more 30369  
existing facilities and one of the following conditions is 30370  
satisfied: 30371

(a) At least one of the facilities currently is not 30372  
located in this state, and the relocation of the operations of 30373  
that facility would result in both of the following during the 30374  
term of the agreement: 30375

(i) The number of employees employed by the enterprise at 30376  
its existing facilities in this state to which operations are 30377  
relocated increases by not less than twenty-five per cent after 30378  
the date the agreement is formally approved by the legislative 30379  
authority; 30380

(ii) The assessed value of tangible personal property 30381  
first used in business at the project site, or the assessed 30382  
value of real property constituting the project site, increases 30383  
by not less than twenty-five per cent after the date the 30384  
agreement is formally approved by the legislative authority. 30385

(b) All of the facilities currently are in this state, and 30386  
the relocation of the operations of any of those facilities 30387  
would result in both of the following during the term of the 30388  
agreement: 30389

(i) The number of employees employed by the enterprise at 30390  
its existing facilities in this state to which operations are 30391  
relocated increases by not less than twenty-five per cent after 30392  
the date the agreement is formally approved by the legislative 30393  
authority; 30394

(ii) The assessed value of tangible personal property 30395  
first used in business at the project site, or the assessed 30396  
value of real property constituting the project site, increases 30397  
by not less than fifty per cent over the assessed value, 30398  
determined at the time of relocation, of tangible personal 30399  
property located at, and of real property constituting, the 30400  
facilities in this state from which operations would be 30401  
relocated. 30402

For purposes of divisions (B) (3) (a) and (b) of this 30403  
section, "assessed value of tangible personal property" and 30404

"assessed value of real property" mean the value of such 30405  
property as assessed for purposes of property taxation and 30406  
entered on the tax lists and duplicates of the county. 30407

(C) To apply for a waiver under division (B) of this 30408  
section, the enterprise and the legislative authority intending 30409  
to enter into an agreement under section 5709.62, 5709.63, or 30410  
5709.632 of the Revised Code shall petition the director of 30411  
housing and development in a form acceptable to the director. 30412  
The petition shall be accompanied by documentation demonstrating 30413  
one or more of the circumstances described in divisions (B) (1), 30414  
(2), or (3) of this section. Not later than thirty days after 30415  
receiving such a petition, the director shall investigate the 30416  
petition and accompanying documentation to determine the 30417  
validity of the circumstance claimed therein, and shall issue to 30418  
the enterprise and to the legislative authority the 30419  
determination, in writing, waiving, or refusing to waive 30420  
application of division (A) of this section. 30421

**Sec. 5709.64.** (A) If an enterprise has been granted an 30422  
incentive for the current calendar year under an agreement 30423  
entered pursuant to section 5709.62, 5709.63, or 5709.632 of the 30424  
Revised Code, it may apply, on or before the thirtieth day of 30425  
April of that year, to the director of housing and development, 30426  
on a form prescribed by the director, for a tax incentive 30427  
qualification certificate. The enterprise qualifies for an 30428  
initial certificate if, on or before the last day of the 30429  
calendar year immediately preceding that in which application is 30430  
made, it satisfies all of the following requirements: 30431

(1) The enterprise has established, expanded, renovated, 30432  
or occupied a facility pursuant to the agreement under section 30433  
5709.62, 5709.63, or 5709.632 of the Revised Code. 30434

(2) The enterprise has hired new employees to fill 30435  
nonretail positions at the facility, at least twenty-five per 30436  
cent of whom at the time they were employed were at least one of 30437  
the following: 30438

(a) Unemployed persons who had resided at least six months 30439  
in the county in which the enterprise's project site is located; 30440

(b) JPTA eligible employees who had resided at least six 30441  
months in the county in which the enterprise's project site is 30442  
located; 30443

(c) Participants of the Ohio works first program under 30444  
Chapter 5107. of the Revised Code or the prevention, retention, 30445  
and contingency program under Chapter 5108. of the Revised Code 30446  
or recipients of general assistance under former Chapter 5113. 30447  
of the Revised Code, financial assistance under former Chapter 30448  
5115. of the Revised Code, or unemployment compensation benefits 30449  
who had resided at least six months in the county in which the 30450  
enterprise's project site is located; 30451

(d) Eligible individuals with disabilities, as defined 30452  
under division (A) of section 3304.11 of the Revised Code, who 30453  
had resided at least six months in the county in which the 30454  
enterprise's project site is located; 30455

(e) Residents for at least one year of a zone located in 30456  
the county in which the enterprise's project site is located. 30457

The director of housing and development shall, by rule, 30458  
establish criteria for determining what constitutes a nonretail 30459  
position at a facility. 30460

(3) The average number of positions attributable to the 30461  
enterprise in the municipal corporation during the calendar year 30462  
immediately preceding the calendar year in which application is 30463

made exceeds the maximum number of positions attributable to the 30464  
enterprise in the municipal corporation during the calendar year 30465  
immediately preceding the first year the enterprise satisfies 30466  
the requirements set forth in divisions (A) (1) and (2) of this 30467  
section. If the enterprise is engaged in a business which, 30468  
because of its seasonal nature, customarily enables the 30469  
enterprise to operate at full capacity only during regularly 30470  
recurring periods of the year, the average number of positions 30471  
attributable to the enterprise in the municipal corporation 30472  
during each period of the calendar year immediately preceding 30473  
the calendar year in which application is made must exceed only 30474  
the maximum number of positions attributable to the enterprise 30475  
in each corresponding period of the calendar year immediately 30476  
preceding the first year the enterprise satisfies the 30477  
requirements of divisions (A) (1) and (2) of this section. The 30478  
director of housing and development shall, by rule, prescribe 30479  
methods for determining whether an enterprise is engaged in a 30480  
seasonal business and for determining the length of the 30481  
corresponding periods to be compared. 30482

(4) The enterprise has not closed or reduced employment at 30483  
any place of business in the state for the primary purpose of 30484  
establishing, expanding, renovating, or occupying a facility. 30485  
The legislative authority of any municipal corporation or the 30486  
board of county commissioners of any county that concludes that 30487  
an enterprise has closed or reduced employment at a place of 30488  
business in that municipal corporation or county for the primary 30489  
purpose of establishing, expanding, renovating, or occupying a 30490  
facility in a zone may appeal to the director to determine 30491  
whether the enterprise has done so. Upon receiving such an 30492  
appeal, the director shall investigate the allegations and make 30493  
such a determination before issuing an initial or renewal tax 30494

incentive qualification certificate under this section. 30495

Within sixty days after receiving an application under 30496  
this division, the director shall review, investigate, and 30497  
verify the application and determine whether the enterprise 30498  
qualifies for a certificate. The application shall include an 30499  
affidavit executed by the applicant verifying that the 30500  
enterprise satisfies the requirements of division (A) (2) of this 30501  
section, and shall contain such information and documents as the 30502  
director requires, by rule, to ascertain whether the enterprise 30503  
qualifies for a certificate. If the director finds the 30504  
enterprise qualified, the director shall issue a tax incentive 30505  
qualification certificate, which shall bear as its date of 30506  
issuance the thirtieth day of June of the year of application, 30507  
and shall state that the applicant is entitled to receive, for 30508  
the taxable year that includes the certificate's date of 30509  
issuance, the tax incentives provided under section 5709.65 of 30510  
the Revised Code with regard to the facility to which the 30511  
certificate applies. If an enterprise is issued an initial 30512  
certificate, it may apply, on or before the thirtieth day of 30513  
April of each succeeding calendar year for which it has been 30514  
granted an incentive under an agreement entered pursuant to 30515  
section 5709.62, 5709.63, or 5709.632 of the Revised Code, for a 30516  
renewal certificate. Subsequent to its initial certification, 30517  
the enterprise qualifies for up to three successive renewal 30518  
certificates if, on or before the last day of the calendar year 30519  
immediately preceding that in which the application is made, it 30520  
satisfies all the requirements of divisions (A) (1) to (4) of 30521  
this section, and neither the zone's designation nor the zone's 30522  
certification has been revoked prior to the fifteenth day of 30523  
June of the year in which the application is made. The 30524  
application shall include an affidavit executed by the applicant 30525



verifying that the enterprise satisfies the requirements of 30526  
division (A) (2) of this section. An enterprise with ten or more 30527  
supervisory personnel at the facility to which a certificate 30528  
applies qualifies for any subsequent renewal certificates only 30529  
if it meets all of the foregoing requirements and, in addition, 30530  
at least ten per cent of those supervisory personnel are 30531  
employees who, when first hired by the enterprise, satisfied at 30532  
least one of the criteria specified in divisions (A) (2) (a) to 30533  
(e) of this section. If the enterprise qualifies, a renewal 30534  
certificate shall be issued bearing as its date of issuance the 30535  
thirtieth day of June of the year of application. The director 30536  
shall send copies of the initial certificate, and each renewal 30537  
certificate, by certified mail, to the enterprise, the tax 30538  
commissioner, the board of county commissioners, and the chief 30539  
executive of the municipal corporation in which the facility to 30540  
which the certificate applies is located. 30541

(B) If the director determines that an enterprise is not 30542  
qualified for an initial or renewal tax incentive qualification 30543  
certificate, the director shall send notice of this 30544  
determination, specifying the reasons for it, by certified mail, 30545  
to the applicant, the tax commissioner, the board of county 30546  
commissioners, and the chief executive of the municipal 30547  
corporation in which the facility to which the certificate would 30548  
have applied is located. Within thirty days after receiving such 30549  
a notice, an enterprise may request, in writing, a hearing 30550  
before the director for the purpose of reviewing the application 30551  
and the reasons for the determination. Within sixty days after 30552  
receiving a request for a hearing, the director shall afford one 30553  
and, within thirty days after the hearing, shall issue a 30554  
redetermination of the enterprise's qualification for a 30555  
certificate. If the enterprise is found to be qualified, the 30556

director shall proceed in the manner provided under division (A) 30557  
of this section. If the enterprise is found to be unqualified, 30558  
the director shall send notice of this finding, by certified 30559  
mail, to the applicant, the tax commissioner, the board of 30560  
county commissioners, and the chief executive of the municipal 30561  
corporation in which the facility to which the certificate would 30562  
have applied is located. The director's redetermination that an 30563  
enterprise is unqualified may be appealed to the board of tax 30564  
appeals in the manner provided under section 5717.02 of the 30565  
Revised Code. 30566

**Sec. 5709.66.** (A) If an enterprise has been granted an 30567  
incentive for the current calendar year under an agreement 30568  
entered into pursuant to section 5709.62 or 5709.63 of the 30569  
Revised Code and satisfies both of the requirements described in 30570  
divisions (A)(1) and (2) of this section at the time of 30571  
application, it may apply to the director of housing and 30572  
development, on a form prescribed by the director, for the 30573  
employee tax credit certificate under division (B) of this 30574  
section. 30575

(1) The enterprise has established, expanded, renovated, 30576  
or occupied a facility pursuant to an agreement under section 30577  
5709.62 or 5709.63 of the Revised Code in a zone that is 30578  
certified by the director of housing and development as having 30579  
one of the characteristics described in divisions (A)(1)(a) or 30580  
(b) and at least one of the characteristics described in 30581  
divisions (A)(1)(c) to (h) of section 5709.61 of the Revised 30582  
Code. 30583

(2) The enterprise or any predecessor enterprise has not 30584  
closed or reduced employment at any place of business in this 30585  
state within the twelve months preceding application unless the 30586

enterprise, since the date the agreement was formally approved 30587  
by the legislative authority, has hired new employees equal in 30588  
number to not less than fifty per cent of the total number of 30589  
employees employed by the enterprise at other locations in this 30590  
state on that date. The legislative authority of any municipal 30591  
corporation or county that concludes that an enterprise or any 30592  
predecessor enterprise has closed or reduced employment at a 30593  
place of business in that municipal corporation or county may 30594  
appeal to the director to determine whether the enterprise or 30595  
any predecessor enterprise has done so. Upon receiving such an 30596  
appeal, the director shall investigate the allegations and 30597  
determine whether the enterprise satisfies the requirement of 30598  
division (A) (2) of this section before proceeding under division 30599  
(B) of this section. 30600

Within sixty days after receiving an application under 30601  
this section, the director shall review, investigate, and verify 30602  
the application and determine whether the enterprise is eligible 30603  
for the employee tax credit certificate under division (B) of 30604  
this section. The application shall contain such information and 30605  
documents as the director requires, by rule, to ascertain 30606  
whether the enterprise is eligible for the certificate. On 30607  
finding that the enterprise is eligible, the director shall 30608  
proceed under division (B) of this section. 30609

On determining that an enterprise is not eligible for the 30610  
certificate under division (B) of this section, the director 30611  
shall send notice of this determination, specifying the reasons 30612  
for it, by certified mail, to the applicant, the board of county 30613  
commissioners, and the chief executive of the municipal 30614  
corporation in which the facility to which the certificate would 30615  
have been given is located. Within thirty days after receiving 30616  
such a notice, an enterprise may request, in writing, a hearing 30617

before the director for the purpose of reviewing the application 30618  
and the reasons for the determination. Within sixty days after 30619  
receiving a request for a hearing, the director shall afford one 30620  
and, within thirty days after the hearing, shall issue a 30621  
redetermination of the enterprise's eligibility for the 30622  
incentives. If the enterprise is found to be eligible, the 30623  
director shall proceed under division (B) of this section. If 30624  
the enterprise is found to be ineligible, the director shall 30625  
send notice of this finding, by certified mail, to the 30626  
applicant, the board of commissioners of the county or the chief 30627  
executive of the municipal corporation in which the facility to 30628  
which the certificate would have been given is located. The 30629  
director's redetermination that an enterprise is ineligible may 30630  
be appealed to the board of tax appeals under section 5717.02 of 30631  
the Revised Code. 30632

(B) (1) If the director determines an enterprise to be 30633  
eligible under division (A) of this section, the director shall 30634  
determine if the enterprise is entitled to an employee tax 30635  
credit certificate. An enterprise is entitled to an employee tax 30636  
credit certificate for each eligible employee the enterprise 30637  
hires. A taxpayer who is issued an employee tax credit 30638  
certificate under this section may claim a nonrefundable credit 30639  
of one thousand dollars against the taxpayer's aggregate tax 30640  
liability under either section 5733.06 or 5747.02 of the Revised 30641  
Code for each taxable year of the agreement entered into under 30642  
section 5709.62 or 5709.63 of the Revised Code in which an 30643  
eligible employee is employed for the taxpayer's full taxable 30644  
year. If the eligible employee is employed for less than the 30645  
taxpayer's full taxable year, the taxpayer may claim a reduced 30646  
credit against the aggregate amount of tax due under either 30647  
section 5733.06 or 5747.02 of the Revised Code. The reduced 30648

credit shall be computed by dividing the total number of days in 30649  
the taxable year into one thousand dollars and multiplying the 30650  
quotient by the number of days the eligible employee was 30651  
employed in the taxable year. For purposes of the computation, 30652  
the eligible employee shall be deemed to have been employed for 30653  
each day of the taxable year commencing on the date of 30654  
employment or ending on the date of termination of employment. 30655

The credit provided under this division to a noncorporate 30656  
enterprise or an enterprise that is an S corporation as defined 30657  
in section 1361 of the Internal Revenue Code shall be divided 30658  
pro rata among the owners or shareholders of the enterprise 30659  
subject to the tax imposed by section 5747.02 of the Revised 30660  
Code, based on their proportionate ownership interests in the 30661  
enterprise. The enterprise shall file with the tax commissioner, 30662  
on a form prescribed by the tax commissioner, a statement 30663  
showing the total available credit and the portion of that 30664  
credit attributed to each owner or shareholder. The statement 30665  
shall identify each owner or shareholder by name and social 30666  
security number and shall be filed with the tax commissioner by 30667  
the date prescribed by the tax commissioner, which shall be no 30668  
earlier than the fifteenth day of the month following the close 30669  
of the enterprise's taxable year for which the credit is 30670  
claimed. 30671

The taxpayer shall claim the credit in the order required 30672  
under section 5733.98 or 5747.98 of the Revised Code. If the 30673  
credit provided under this division exceeds the taxpayer's tax 30674  
liability for the taxable year after allowance for any other 30675  
credits that precede the credit under this section in that 30676  
order, the credit may be carried forward for the next three 30677  
succeeding taxable years, but the amount of any excess credit 30678  
allowed in any such year shall be deducted from the balance 30679

carried forward to the succeeding taxable year. 30680

(2) As used in this division: 30681

(a) "Eligible employee" means a new employee at a facility 30682  
who, at the time the employee was hired to work at the facility, 30683  
was a participant of the Ohio works first program under Chapter 30684  
5107. of the Revised Code or the prevention, retention, and 30685  
contingency program under Chapter 5108. of the Revised Code or a 30686  
recipient of general assistance under former Chapter 5113. of 30687  
the Revised Code and resided for at least one year in the county 30688  
in which the facility is located. "Eligible employee" does not 30689  
include any employee of the enterprise who is a new employee, as 30690  
defined under section 122.17 of the Revised Code, on the basis 30691  
of whom the enterprise has claimed a credit under that section. 30692

(b) "Taxable year" has the same meaning as in section 30693  
5733.04 or 5747.01 of the Revised Code, as applicable to the 30694  
enterprise claiming the credit. 30695

**Sec. 5709.67.** (A) Except as otherwise provided in sections 30696  
5709.61 to 5709.69 of the Revised Code, the director of housing 30697  
and development shall administer those sections and shall adopt 30698  
rules necessary to implement and administer the enterprise zone 30699  
program. The director shall assign to each zone currently 30700  
certified a unique designation by which the zone shall be 30701  
identified for purposes of administering sections 5709.61 to 30702  
5709.69 of the Revised Code. The tax commissioner shall 30703  
administer all other tax incentives provided under sections 30704  
5709.61 to 5709.69 of the Revised Code and shall adopt rules 30705  
necessary to carry out that duty. No tax incentive qualification 30706  
certificate or employee tax credit certificate shall be issued 30707  
or remain in effect unless the enterprise applying for or 30708  
holding the certificate complies with all such rules. The 30709

director of job and family services shall administer the 30710  
incentive provided under division (B)(1) of section 5709.66 of 30711  
the Revised Code and shall adopt rules necessary to carry out 30712  
that duty. No extension of benefits certificate shall be issued 30713  
or remain in effect unless the enterprise applying for or 30714  
holding the certificate complies with all such rules. 30715

(B) Not later than the first day of August each year, the 30716  
director of housing and development shall report to the general 30717  
assembly on all of the following for the preceding calendar 30718  
year: 30719

(1) The cost to the state of the tax and other incentives 30720  
provided under sections 5709.61 to 5709.69 of the Revised Code; 30721

(2) The number of tax incentive qualification 30722  
certificates, employee tax credit certificates, and extension of 30723  
benefits certificates issued; 30724

(3) The names of the municipal corporations and counties 30725  
that have entered agreements under sections 5709.62, 5709.63, 30726  
and 5709.632 of the Revised Code; 30727

(4) The number of new employees hired as a result of the 30728  
tax and other incentives provided under sections 5709.61 to 30729  
5709.69 of the Revised Code; 30730

(5) Information on agreement terms concerning school 30731  
district revenue that are not provided for in section 5709.631 30732  
of the Revised Code and that are forwarded to the director under 30733  
division (H) of section 5709.62, division (H) of section 30734  
5709.63, or division (G) of section 5709.632 of the Revised 30735  
Code. 30736

The report shall include a finding by the director as to 30737  
whether the incentives provided under sections 5709.61 to 30738

5709.69 of the Revised Code have resulted in the creation of 30739  
more positions in the state than would have been created without 30740  
the incentives. The director shall send a copy of the report to 30741  
each member of the general assembly and to the director of the 30742  
legislative service commission. 30743

**Sec. 5709.671.** By amendment or enactment of this act 30744  
Chapters 725. and 1728. and sections 3735.67 to 3735.70, 5709.40 30745  
to 5709.43, 5709.61 to 5709.69, 5709.73 to 5709.75, and 5709.77 30746  
to 5709.81 of the Revised Code by Amended Substitute Senate Bill 30747  
No. 19 of the 120th general assembly, the General Assembly 30748  
general assembly expresses its policy of encouraging political 30749  
subdivisions of this state to exercise the authority granted 30750  
under ~~Chapters 725. and 1728. and under sections 3735.67 to~~ 30751  
~~3735.70, 5709.40 to 5709.43, 5709.61 to 5709.69, 5709.73 to~~ 30752  
~~5709.75, and 5709.77 to 5709.81 of the Revised Code~~those 30753  
chapters and sections for the purposes stated therein, and for 30754  
the purposes of retaining existing or creating new employment 30755  
opportunities within the political subdivision to the extent the 30756  
exercise of such authority is necessary to result in a net 30757  
increase in employment in this state above that which would 30758  
prevail in the absence of the use of such authority. Such 30759  
authority is not intended by the ~~General Assembly~~general 30760  
assembly to be exercised if not necessary to achieve such a 30761  
result, nor is it intended to be exercised for the purpose of 30762  
transferring employment from one political subdivision in this 30763  
state to another if such exercise does not result in a net 30764  
increase in or retention of employment in this state. 30765

~~The Director~~director of ~~Development~~housing and 30766  
development may adopt such rules as the ~~Director~~director 30767  
determines will best effect the policy stated under this 30768  
section. Such rules shall be adopted in accordance with Chapter 30769



119. of the Revised Code, and shall apply only to agreements or 30770  
actions executed on or after the effective date of such rules. 30771

**Sec. 5709.68.** (A) On or before the thirty-first day of 30772  
March each year, a municipal corporation or county that has 30773  
entered into an agreement with an enterprise under section 30774  
5709.62, 5709.63, or 5709.632 of the Revised Code shall submit 30775  
to the director of housing and development ~~services~~ and the 30776  
board of education of each school district of which a municipal 30777  
corporation or township to which such an agreement applies is a 30778  
part a report on all of those agreements in effect during the 30779  
preceding calendar year. The report shall include all of the 30780  
following information: 30781

(1) The designation, assigned by the director of housing 30782  
and development ~~services~~, of each urban jobs and enterprise zone 30783  
within the municipal corporation or county, the date each zone 30784  
was certified, the name of each municipal corporation or 30785  
township within each zone, and the total population of each zone 30786  
according to the most recent data available; 30787

(2) The number of enterprises that are subject to those 30788  
agreements and the number of full-time employees subject to 30789  
those agreements within each zone, each according to the most 30790  
recent data available and identified and categorized by the 30791  
appropriate standard industrial code, and the rate of 30792  
unemployment in the municipal corporation or county in which the 30793  
zone is located for each year since each zone was certified; 30794

(3) The number of agreements approved and executed during 30795  
the calendar year for which the report is submitted, the total 30796  
number of agreements in effect on the thirty-first day of 30797  
December of the preceding calendar year, the number of 30798  
agreements that expired during the calendar year for which the 30799

report is submitted, and the number of agreements scheduled to 30800  
expire during the calendar year in which the report is 30801  
submitted. For each agreement that expired during the calendar 30802  
year for which the report is submitted, the municipal 30803  
corporation or county shall include the amount of taxes exempted 30804  
and the estimated dollar value of any other incentives provided 30805  
under the agreement. 30806

(4) The number of agreements receiving compliance reviews 30807  
by the tax incentive review council in the municipal corporation 30808  
or county during the calendar year for which the report is 30809  
submitted, including all of the following information: 30810

(a) The number of agreements the terms of which an 30811  
enterprise has complied with, indicating separately for each 30812  
agreement the value of the real and personal property exempted 30813  
pursuant to the agreement and a comparison of the stipulated and 30814  
actual schedules for hiring new employees, for retaining 30815  
existing employees, for the amount of payroll of the enterprise 30816  
attributable to these employees, and for investing in 30817  
establishing, expanding, renovating, or occupying a facility; 30818

(b) The number of agreements the terms of which an 30819  
enterprise has failed to comply with, indicating separately for 30820  
each agreement the value of the real and personal property 30821  
exempted pursuant to the agreement and a comparison of the 30822  
stipulated and actual schedules for hiring new employees, for 30823  
retaining existing employees, for the amount of payroll of the 30824  
enterprise attributable to these employees, and for investing in 30825  
establishing, expanding, renovating, or occupying a facility; 30826

(c) The number of agreements about which the tax incentive 30827  
review council made recommendations to the legislative authority 30828  
of the municipal corporation or county, and the number of those 30829

recommendations that have not been followed; 30830

(d) The number of agreements rescinded during the calendar 30831  
year for which the report is submitted. 30832

(5) The number of enterprises that are subject to 30833  
agreements that expanded within each zone, including the number 30834  
of new employees hired and existing employees retained by each 30835  
enterprise, and the number of new enterprises that are subject 30836  
to agreements and that established within each zone, including 30837  
the number of new employees hired by each enterprise; 30838

(6) (a) The number of enterprises that are subject to 30839  
agreements and that closed or reduced employment at any place of 30840  
business within the state for the primary purpose of 30841  
establishing, expanding, renovating, or occupying a facility, 30842  
indicating separately for each enterprise the political 30843  
subdivision in which the enterprise closed or reduced employment 30844  
at a place of business and the number of full-time employees 30845  
transferred and retained by each such place of business; 30846

(b) The number of enterprises that are subject to 30847  
agreements and that closed or reduced employment at any place of 30848  
business outside the state for the primary purpose of 30849  
establishing, expanding, renovating, or occupying a facility. 30850

(7) For each agreement in effect during any part of the 30851  
preceding year, the number of employees employed by the 30852  
enterprise at the project site immediately prior to formal 30853  
approval of the agreement, the number of employees employed by 30854  
the enterprise at the project site on the thirty-first day of 30855  
December of the preceding year, the payroll of the enterprise 30856  
for the preceding year, the amount of taxes paid on tangible 30857  
personal property situated at the project site and the amount of 30858

those taxes that were not paid because of the exemption granted 30859  
under the agreement, and the amount of taxes paid on real 30860  
property constituting the project site and the amount of those 30861  
taxes that were not paid because of the exemption granted under 30862  
the agreement. If an agreement was entered into under section 30863  
5709.632 of the Revised Code with an enterprise described in 30864  
division (B) (2) of that section, the report shall include the 30865  
number of employee positions at all of the enterprise's 30866  
locations in this state. If an agreement is conditioned on a 30867  
waiver issued under division (B) of section 5709.633 of the 30868  
Revised Code on the basis of the circumstance described in 30869  
division (B) (3) (a) or (b) of that section, the report shall 30870  
include the number of employees at the facilities referred to in 30871  
division (B) (3) (a) (i) or (b) (i) of that section, respectively. 30872

(B) Upon the failure of a municipal corporation or county 30873  
to comply with division (A) of this section: 30874

(1) Beginning on the first day of April of the calendar 30875  
year in which the municipal corporation or county fails to 30876  
comply with that division, the municipal corporation or county 30877  
shall not enter into any agreements with an enterprise under 30878  
section 5709.62, 5709.63, or 5709.632 of the Revised Code until 30879  
the municipal corporation or county has complied with division 30880  
(A) of this section. 30881

(2) On the first day of each ensuing calendar month until 30882  
the municipal corporation or county complies with division (A) 30883  
of this section, the director of housing and development 30884  
~~services~~ shall either order the proper county auditor to deduct 30885  
from the next succeeding payment of taxes to the municipal 30886  
corporation or county under section 321.31, 321.32, 321.33, or 30887  
321.34 of the Revised Code an amount equal to one thousand 30888

dollars for each calendar month the municipal corporation or 30889  
county fails to comply with that division, or order the county 30890  
auditor to deduct that amount from the next succeeding payment 30891  
to the municipal corporation or county from the undivided local 30892  
government fund under section 5747.51 of the Revised Code. At 30893  
the time such a payment is made, the county auditor shall comply 30894  
with the director's order by issuing a warrant, drawn on the 30895  
fund from which the money would have been paid, to the director 30896  
of housing and development~~services~~, who shall deposit the 30897  
warrant into the state enterprise zone program administration 30898  
fund created in division (C) of this section. 30899

(C) The director, by rule, shall establish the state's 30900  
application fee for applications submitted to a municipal 30901  
corporation or county to enter into an agreement under section 30902  
5709.62, 5709.63, or 5709.632 of the Revised Code. In 30903  
establishing the amount of the fee, the director shall consider 30904  
the state's cost of administering the enterprise zone program, 30905  
including the cost of reviewing the reports required under 30906  
division (A) of this section. The director may change the amount 30907  
of the fee at the times and in the increments the director 30908  
considers necessary. Any municipal corporation or county that 30909  
receives an application shall collect the application fee and 30910  
remit the fee for deposit in the state treasury to the credit of 30911  
the tax incentives operating fund created in section 122.174 of 30912  
the Revised Code. 30913

(D) On or before the thirtieth day of June each year, the 30914  
director of housing and development ~~services~~ shall certify to 30915  
the tax commissioner the information described under division 30916  
(A) (7) of this section, derived from the reports submitted to 30917  
the director under this section. 30918

On the basis of the information certified under this 30919  
division, the tax commissioner annually shall submit a report to 30920  
the governor, the speaker of the house of representatives, the 30921  
president of the senate, and the chairpersons of the ways and 30922  
means committees of the respective houses of the general 30923  
assembly, indicating for each enterprise zone the amount of 30924  
state and local taxes that were not required to be paid because 30925  
of exemptions granted under agreements entered into under 30926  
section 5709.62, 5709.63, or 5709.632 of the Revised Code and 30927  
the amount of additional taxes paid from the payroll of new 30928  
employees. 30929

**Sec. 5709.69.** If an enterprise operating in a county or 30930  
municipal corporation in this state intends to relocate or 30931  
relocates part or all of its operations to another county or 30932  
municipal corporation in this state and has entered into or 30933  
intends to enter into an agreement under section 5709.62, 30934  
5709.63, or 5709.632 of the Revised Code with that county or 30935  
municipal corporation, the legislative authority or an officer 30936  
of the county or municipal corporation to which the enterprise 30937  
intends to relocate or relocates shall serve the legislative 30938  
authority of the county or municipal corporation from which the 30939  
enterprise intends to relocate or relocates with notice of the 30940  
enterprise's intention to relocate, accompanied by a copy of the 30941  
agreement to be entered into or entered into pursuant to section 30942  
5709.62, 5709.63, or 5709.632 of the Revised Code and a 30943  
statement of the enterprise's reasons for relocation. The 30944  
legislative authority or officer also shall serve such notice 30945  
upon the director of housing and development. In both cases, 30946  
service shall be by personal service or certified mail, return 30947  
receipt requested, not later than thirty days prior to the day 30948  
of the first public meeting at which the agreement is 30949

deliberated by the legislative authority of the county or 30950  
municipal corporation to which the enterprise intends to 30951  
relocate or relocates. With the approval of the director of 30952  
housing and development, service shall be not later than fifteen 30953  
days prior to the day of the first public meeting of the 30954  
legislative authority at which the agreement is deliberated. The 30955  
legislative authority or officer required to serve notice shall 30956  
seek such approval by applying to the director at the earliest 30957  
possible time prior to that meeting. The director may approve 30958  
the later service if the director determines that earlier notice 30959  
is not possible or would be likely to jeopardize realization of 30960  
the project. If approval for a later notice is applied for, the 30961  
legislative authority or officer need not serve notice to the 30962  
director as otherwise required by this section. 30963

If the legislative authority or officer required to serve 30964  
such notices fails to do so as prescribed by this section, the 30965  
legislative authority shall not enter into an agreement under 30966  
those sections with that enterprise. 30967

This section applies only to relocations of operations 30968  
that result or would result in the reduction of employment or 30969  
the cessation of operations at a place of business in this 30970  
state. 30971

**Sec. 5709.73.** (A) As used in this section and section 30972  
5709.74 of the Revised Code: 30973

(1) "Business day" means a day of the week excluding 30974  
Saturday, Sunday, and a legal holiday as defined in section 1.14 30975  
of the Revised Code. 30976

(2) "Further improvements" or "improvements" means the 30977  
increase in the assessed value of real property that would first 30978

appear on the tax list and duplicate of real and public utility 30979  
property after the effective date of a resolution adopted under 30980  
this section were it not for the exemption granted by that 30981  
resolution. For purposes of division (B) of this section, 30982  
"improvements" do not include any property used or to be used 30983  
for residential purposes. For this purpose, "property that is 30984  
used or to be used for residential purposes" means property 30985  
that, as improved, is used or to be used for purposes that would 30986  
cause the tax commissioner to classify the property as 30987  
residential property in accordance with rules adopted by the 30988  
commissioner under section 5713.041 of the Revised Code. 30989

(3) "Housing renovation" means a project carried out for 30990  
residential purposes. 30991

(4) "Incentive district" has the same meaning as in 30992  
section 5709.40 of the Revised Code, except that a blighted area 30993  
is in the unincorporated area of a township. 30994

(5) "Overlay" has the same meaning as in section 5709.40 30995  
of the Revised Code, except that the overlay is delineated by 30996  
the board of township trustees. 30997

(6) "Project" and "public infrastructure improvement" have 30998  
the same meanings as in section 5709.40 of the Revised Code. 30999

(7) "Urban township" has the same meaning as in section 31000  
504.01 of the Revised Code. 31001

(8) "Nonperforming parcel" means a parcel to which all of 31002  
the following apply: 31003

(a) The parcel is exempted from taxation under division 31004  
(B) of this section or has been included in a district created 31005  
under division (C) of this section. 31006



(b) The parcel's owner is required to make payments in 31007  
lieu of taxes in accordance with section 5709.74 of the Revised 31008  
Code. 31009

(c) No such payments have been remitted to the county 31010  
treasurer since the inception of the exemption or district. 31011

(B) A board of township trustees may adopt a resolution 31012  
that declares to be a public purpose any public infrastructure 31013  
improvements made that are necessary for the development of 31014  
certain parcels of land located in the unincorporated area of 31015  
the township. Except for a resolution adopted by the board of an 31016  
urban township, the resolution shall be adopted by a unanimous 31017  
vote of the board. Except as otherwise provided under division 31018  
(D) of this section or section 5709.51 of the Revised Code, the 31019  
resolution may exempt from real property taxation not more than 31020  
seventy-five per cent of further improvements to a parcel of 31021  
land that directly benefits from the public infrastructure 31022  
improvements, for a period of not more than ten years. The 31023  
resolution shall specify the percentage of the further 31024  
improvements to be exempted and the life of the exemption. 31025

(C) (1) A board of township trustees may adopt a resolution 31026  
creating an incentive district and declaring improvements to 31027  
parcels within the district to be a public purpose and, except 31028  
as provided in division (C) (2) of this section, exempt from 31029  
taxation as provided in this section. Except for a resolution 31030  
adopted by the board of an urban township, the resolution shall 31031  
be adopted by a unanimous vote of the board. A board of township 31032  
trustees of a township that has a population that exceeds 31033  
twenty-five thousand, as shown by the most recent federal 31034  
decennial census, may not adopt a resolution that creates an 31035  
incentive district if the sum of the taxable value of real 31036

property in the proposed district for the preceding tax year and 31037  
the taxable value of all real property in the township that 31038  
would have been taxable in the preceding year were it not for 31039  
the fact that the property was in an existing incentive district 31040  
and therefore exempt from taxation exceeds twenty-five per cent 31041  
of the taxable value of real property in the township for the 31042  
preceding tax year. The district shall be located within the 31043  
unincorporated area of the township and shall not include any 31044  
territory that is included within a district created under 31045  
division (B) of section 5709.78 of the Revised Code. The 31046  
resolution shall delineate the boundary of the proposed district 31047  
and specifically identify each parcel within the district. A 31048  
proposed district may not include any parcel, other than a 31049  
nonperforming parcel, that is or has been exempted from taxation 31050  
under division (B) of this section or that is or has been within 31051  
another district created under this division. On and after the 31052  
effective date of the district, a nonperforming parcel within 31053  
the district is no longer exempted from taxation under division 31054  
(B) of this section or included within an incentive district 31055  
under any previous resolution, and the parcel's owner is no 31056  
longer required to make payments in lieu of taxes under such a 31057  
previous resolution in accordance with section 5709.74 of the 31058  
Revised Code. Any exemption application filed with the tax 31059  
commissioner under section 5715.27 of the Revised Code under the 31060  
second resolution shall identify the nonperforming parcels 31061  
included in the second district, the original resolution under 31062  
which the nonperforming parcels were originally exempted, and 31063  
the value history of each nonperforming parcel since the 31064  
enactment of the original resolution. A resolution may create 31065  
more than one such district, and more than one resolution may be 31066  
adopted under division (C) (1) of this section. 31067

(2) (a) Not later than thirty days prior to adopting a resolution under division (C) (1) of this section, if the township intends to apply for exemptions from taxation under section 5709.911 of the Revised Code on behalf of owners of real property located within the proposed incentive district, the board shall conduct a public hearing on the proposed resolution. Not later than thirty days prior to the public hearing, the board shall give notice of the public hearing and the proposed resolution by first class mail to every real property owner whose property is located within the boundaries of the proposed incentive district that is the subject of the proposed resolution. The notice shall include a map of the proposed incentive district on which the board of township trustees shall have delineated an overlay. The notice shall inform the property owner of the owner's right to exclude the owner's property from the incentive district if both of the following conditions are met:

(i) The owner's entire parcel of property will not be located within the overlay.

(ii) The owner has submitted a statement to the board of county commissioners of the county in which the parcel is located indicating the owner's intent to seek a tax exemption for improvements to the owner's parcel under division (A) or (B) of section 5709.78 of the Revised Code within the next five years.

When both of the preceding conditions are met, the owner may exclude the owner's property from the incentive district by submitting a written response in accordance with division (C) (2) (b) of this section. The notice also shall include information detailing the required contents of the response, the address to

which the response may be mailed, and the deadline for 31098  
submitting the response. 31099

(b) Any owner of real property located within the 31100  
boundaries of an incentive district proposed under division (C) 31101  
(1) of this section who meets the conditions specified in 31102  
divisions (C) (2) (a) (i) and (ii) of this section may exclude the 31103  
property from the proposed incentive district by submitting a 31104  
written response to the board not later than forty-five days 31105  
after the postmark date on the notice required under division 31106  
(C) (2) (a) of this section. The response shall include a copy of 31107  
the statement submitted under division (C) (2) (a) (ii) of this 31108  
section. The response shall be sent by first class mail or 31109  
delivered in person at a public hearing held by the board under 31110  
division (C) (2) (a) of this section. The response shall conform 31111  
to any content requirements that may be established by the board 31112  
and included in the notice provided under division (C) (2) (a) of 31113  
this section. In the response, property owners may identify a 31114  
parcel by street address, by the manner in which it is 31115  
identified in the resolution, or by other means allowing the 31116  
identity of the parcel to be ascertained. 31117

(c) Before adopting a resolution under division (C) (1) of 31118  
this section, the board shall amend the resolution to exclude 31119  
any parcel for which a written response has been submitted under 31120  
division (C) (2) (b) of this section. A township shall not apply 31121  
for exemptions from taxation under section 5709.911 of the 31122  
Revised Code for any such parcel, and service payments may not 31123  
be required from the owner of the parcel. Improvements to a 31124  
parcel excluded from an incentive district under this division 31125  
may be exempted from taxation under division (B) of this section 31126  
pursuant to a resolution adopted under that division or under 31127  
any other section of the Revised Code under which the parcel 31128

qualifies. 31129

(3) (a) A resolution adopted under division (C) (1) of this 31130  
section shall specify the life of the incentive district and the 31131  
percentage of the improvements to be exempted, shall designate 31132  
the public infrastructure improvements made, to be made, or in 31133  
the process of being made, that benefit or serve, or, once made, 31134  
will benefit or serve parcels in the district. The resolution 31135  
also shall identify one or more specific projects being, or to 31136  
be, undertaken in the district that place additional demand on 31137  
the public infrastructure improvements designated in the 31138  
resolution. The project identified may, but need not be, the 31139  
project under division (C) (3) (b) of this section that places 31140  
real property in use for commercial or industrial purposes. 31141

A resolution adopted under division (C) (1) of this section 31142  
on or after March 30, 2006, shall not designate police or fire 31143  
equipment as public infrastructure improvements, and, except as 31144  
provided in division (F) of this section, no service payment 31145  
provided for in section 5709.74 of the Revised Code and received 31146  
by the township under the resolution shall be used for police or 31147  
fire equipment. 31148

(b) A resolution adopted under division (C) (1) of this 31149  
section may authorize the use of service payments provided for 31150  
in section 5709.74 of the Revised Code for the purpose of 31151  
housing renovations within the incentive district, provided that 31152  
the resolution also designates public infrastructure 31153  
improvements that benefit or serve the district, and that a 31154  
project within the district places real property in use for 31155  
commercial or industrial purposes. Service payments may be used 31156  
to finance or support loans, deferred loans, and grants to 31157  
persons for the purpose of housing renovations within the 31158

district. The resolution shall designate the parcels within the 31159  
district that are eligible for housing renovations. The 31160  
resolution shall state separately the amount or the percentages 31161  
of the expected aggregate service payments that are designated 31162  
for each public infrastructure improvement and for the purpose 31163  
of housing renovations. 31164

(4) Except with the approval of the board of education of 31165  
each city, local, or exempted village school district within the 31166  
territory of which the incentive district is or will be located, 31167  
and subject to division (E) of this section, the life of an 31168  
incentive district shall not exceed ten years, and the 31169  
percentage of improvements to be exempted shall not exceed 31170  
seventy-five per cent. With approval of the board of education, 31171  
the life of a district may be not more than thirty years, and 31172  
the percentage of improvements to be exempted may be not more 31173  
than one hundred per cent. The approval of a board of education 31174  
shall be obtained in the manner provided in division (D) of this 31175  
section. 31176

(D) Improvements with respect to a parcel may be exempted 31177  
from taxation under division (B) of this section, and 31178  
improvements to parcels within an incentive district may be 31179  
exempted from taxation under division (C) of this section, for 31180  
up to ten years or, with the approval of the board of education 31181  
of the city, local, or exempted village school district within 31182  
which the parcel or district is located, for up to thirty years. 31183  
The percentage of the improvements exempted from taxation may, 31184  
with such approval, exceed seventy-five per cent, but shall not 31185  
exceed one hundred per cent. Not later than forty-five business 31186  
days prior to adopting a resolution under this section declaring 31187  
improvements to be a public purpose that is subject to approval 31188  
by a board of education under this division, the board of 31189

township trustees shall deliver to the board of education a 31190  
notice stating its intent to adopt a resolution making that 31191  
declaration. The notice regarding improvements with respect to a 31192  
parcel under division (B) of this section shall identify the 31193  
parcels for which improvements are to be exempted from taxation, 31194  
provide an estimate of the true value in money of the 31195  
improvements, specify the period for which the improvements 31196  
would be exempted from taxation and the percentage of the 31197  
improvements that would be exempted, and indicate the date on 31198  
which the board of township trustees intends to adopt the 31199  
resolution. The notice regarding improvements made under 31200  
division (C) of this section to parcels within an incentive 31201  
district shall delineate the boundaries of the district, 31202  
specifically identify each parcel within the district, identify 31203  
each anticipated improvement in the district, provide an 31204  
estimate of the true value in money of each such improvement, 31205  
specify the life of the district and the percentage of 31206  
improvements that would be exempted, and indicate the date on 31207  
which the board of township trustees intends to adopt the 31208  
resolution. The board of education, by resolution adopted by a 31209  
majority of the board, may approve the exemption for the period 31210  
or for the exemption percentage specified in the notice; may 31211  
disapprove the exemption for the number of years in excess of 31212  
ten, may disapprove the exemption for the percentage of the 31213  
improvements to be exempted in excess of seventy-five per cent, 31214  
or both; or may approve the exemption on the condition that the 31215  
board of township trustees and the board of education negotiate 31216  
an agreement providing for compensation to the school district 31217  
equal in value to a percentage of the amount of taxes exempted 31218  
in the eleventh and subsequent years of the exemption period or, 31219  
in the case of exemption percentages in excess of seventy-five 31220  
per cent, compensation equal in value to a percentage of the 31221

taxes that would be payable on the portion of the improvements 31222  
in excess of seventy-five per cent were that portion to be 31223  
subject to taxation, or other mutually agreeable compensation. 31224

The board of education shall certify its resolution to the 31225  
board of township trustees not later than fourteen days prior to 31226  
the date the board of township trustees intends to adopt the 31227  
resolution as indicated in the notice. If the board of education 31228  
and the board of township trustees negotiate a mutually 31229  
acceptable compensation agreement, the resolution may declare 31230  
the improvements a public purpose for the number of years 31231  
specified in the resolution or, in the case of exemption 31232  
percentages in excess of seventy-five per cent, for the 31233  
exemption percentage specified in the resolution. In either 31234  
case, if the board of education and the board of township 31235  
trustees fail to negotiate a mutually acceptable compensation 31236  
agreement, the resolution may declare the improvements a public 31237  
purpose for not more than ten years, and shall not exempt more 31238  
than seventy-five per cent of the improvements from taxation. If 31239  
the board of education fails to certify a resolution to the 31240  
board of township trustees within the time prescribed by this 31241  
section, the board of township trustees thereupon may adopt the 31242  
resolution and may declare the improvements a public purpose for 31243  
up to thirty years or, in the case of exemption percentages 31244  
proposed in excess of seventy-five per cent, for the exemption 31245  
percentage specified in the resolution. The board of township 31246  
trustees may adopt the resolution at any time after the board of 31247  
education certifies its resolution approving the exemption to 31248  
the board of township trustees, or, if the board of education 31249  
approves the exemption on the condition that a mutually 31250  
acceptable compensation agreement be negotiated, at any time 31251  
after the compensation agreement is agreed to by the board of 31252



education and the board of township trustees. If a mutually 31253  
acceptable compensation agreement is negotiated between the 31254  
board of township trustees and the board of education, including 31255  
agreements for payments in lieu of taxes under section 5709.74 31256  
of the Revised Code, the board of township trustees shall 31257  
compensate the joint vocational school district within which the 31258  
parcel or district is located at the same rate and under the 31259  
same terms received by the city, local, or exempted village 31260  
school district. 31261

If a board of education has adopted a resolution waiving 31262  
its right to approve exemptions from taxation under this section 31263  
and the resolution remains in effect, approval of such 31264  
exemptions by the board of education is not required under 31265  
division (D) of this section. If a board of education has 31266  
adopted a resolution allowing a board of township trustees to 31267  
deliver the notice required under division (D) of this section 31268  
fewer than forty-five business days prior to adoption of the 31269  
resolution by the board of township trustees, the board of 31270  
township trustees shall deliver the notice to the board of 31271  
education not later than the number of days prior to the 31272  
adoption as prescribed by the board of education in its 31273  
resolution. If a board of education adopts a resolution waiving 31274  
its right to approve exemptions or shortening the notification 31275  
period, the board of education shall certify a copy of the 31276  
resolution to the board of township trustees. If the board of 31277  
education rescinds the resolution, it shall certify notice of 31278  
the rescission to the board of township trustees. 31279

If the board of township trustees is not required by 31280  
division (D) of this section to notify the board of education of 31281  
the board of township trustees' intent to declare improvements 31282  
to be a public purpose, the board of township trustees shall 31283

comply with the notice requirements imposed under section 31284  
5709.83 of the Revised Code before taking formal action to adopt 31285  
the resolution making that declaration, unless the board of 31286  
education has adopted a resolution under that section waiving 31287  
its right to receive the notice. 31288

Nothing in this division prohibits the board of township 31289  
trustees from amending the resolution under section 5709.51 of 31290  
the Revised Code to extend the term of the exemption. 31291

(E) (1) If a proposed resolution under division (C) (1) of 31292  
this section exempts improvements with respect to a parcel 31293  
within an incentive district for more than ten years, or the 31294  
percentage of the improvement exempted from taxation exceeds 31295  
seventy-five per cent, not later than forty-five business days 31296  
prior to adopting the resolution the board of township trustees 31297  
shall deliver to the board of county commissioners of the county 31298  
within which the incentive district is or will be located a 31299  
notice that states its intent to adopt a resolution creating an 31300  
incentive district. The notice shall include a copy of the 31301  
proposed resolution, identify the parcels for which improvements 31302  
are to be exempted from taxation, provide an estimate of the 31303  
true value in money of the improvements, specify the period of 31304  
time for which the improvements would be exempted from taxation, 31305  
specify the percentage of the improvements that would be 31306  
exempted from taxation, and indicate the date on which the board 31307  
of township trustees intends to adopt the resolution. 31308

(2) The board of county commissioners, by resolution 31309  
adopted by a majority of the board, may object to the exemption 31310  
for the number of years in excess of ten, may object to the 31311  
exemption for the percentage of the improvement to be exempted 31312  
in excess of seventy-five per cent, or both. If the board of 31313

county commissioners objects, the board may negotiate a mutually 31314  
acceptable compensation agreement with the board of township 31315  
trustees. In no case shall the compensation provided to the 31316  
board of county commissioners exceed the property taxes foregone 31317  
due to the exemption. If the board of county commissioners 31318  
objects, and the board of county commissioners and board of 31319  
township trustees fail to negotiate a mutually acceptable 31320  
compensation agreement, the resolution adopted under division 31321  
(C) (1) of this section shall provide to the board of county 31322  
commissioners compensation in the eleventh and subsequent years 31323  
of the exemption period equal in value to not more than fifty 31324  
per cent of the taxes that would be payable to the county or, if 31325  
the board of county commissioner's objection includes an 31326  
objection to an exemption percentage in excess of seventy-five 31327  
per cent, compensation equal in value to not more than fifty per 31328  
cent of the taxes that would be payable to the county, on the 31329  
portion of the improvement in excess of seventy-five per cent, 31330  
were that portion to be subject to taxation. The board of county 31331  
commissioners shall certify its resolution to the board of 31332  
township trustees not later than thirty days after receipt of 31333  
the notice. 31334

(3) If the board of county commissioners does not object 31335  
or fails to certify its resolution objecting to an exemption 31336  
within thirty days after receipt of the notice, the board of 31337  
township trustees may adopt its resolution, and no compensation 31338  
shall be provided to the board of county commissioners. If the 31339  
board of county commissioners timely certifies its resolution 31340  
objecting to the trustees' resolution, the board of township 31341  
trustees may adopt its resolution at any time after a mutually 31342  
acceptable compensation agreement is agreed to by the board of 31343  
county commissioners and the board of township trustees, or, if 31344

no compensation agreement is negotiated, at any time after the 31345  
board of township trustees agrees in the proposed resolution to 31346  
provide compensation to the board of county commissioners of 31347  
fifty per cent of the taxes that would be payable to the county 31348  
in the eleventh and subsequent years of the exemption period or 31349  
on the portion of the improvement in excess of seventy-five per 31350  
cent, were that portion to be subject to taxation. 31351

(F) Service payments in lieu of taxes that are 31352  
attributable to any amount by which the effective tax rate of 31353  
either a renewal levy with an increase or a replacement levy 31354  
exceeds the effective tax rate of the levy renewed or replaced, 31355  
or that are attributable to an additional levy, for a levy 31356  
authorized by the voters for any of the following purposes on or 31357  
after January 1, 2006, and which are provided pursuant to a 31358  
resolution creating an incentive district under division (C) (1) 31359  
of this section that is adopted on or after January 1, 2006, or 31360  
a later date as specified in this division, shall be distributed 31361  
to the appropriate taxing authority as required under division 31362  
(C) of section 5709.74 of the Revised Code in an amount equal to 31363  
the amount of taxes from that additional levy or from the 31364  
increase in the effective tax rate of such renewal or 31365  
replacement levy that would have been payable to that taxing 31366  
authority from the following levies were it not for the 31367  
exemption authorized under division (C) of this section: 31368

(1) A tax levied under division (L) of section 5705.19 or 31369  
section 5705.191 or 5705.222 of the Revised Code for community 31370  
developmental disabilities programs and services pursuant to 31371  
Chapter 5126. of the Revised Code; 31372

(2) A tax levied under division (Y) of section 5705.19 of 31373  
the Revised Code for providing or maintaining senior citizens 31374

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|--|-------|
| services or facilities;  | 31375 |
| (3) A tax levied under section 5705.22 of the Revised Code       | 31376 |
| for county hospitals;  | 31377 |
| (4) A tax levied by a joint-county district or by a county       | 31378 |
| under section 5705.19, 5705.191, or 5705.221 of the Revised Code | 31379 |
| for alcohol, drug addiction, and mental health services or       | 31380 |
| families;  | 31381 |
| (5) A tax levied under section 5705.23 of the Revised Code       | 31382 |
| for library purposes;  | 31383 |
| (6) A tax levied under section 5705.24 of the Revised Code       | 31384 |
| for the support of children services and the placement and care  | 31385 |
| of children;   | 31386 |
| (7) A tax levied under division (Z) of section 5705.19 of        | 31387 |
| the Revised Code for the provision and maintenance of zoological | 31388 |
| park services and facilities under section 307.76 of the Revised | 31389 |
| Code;  | 31390 |
| (8) A tax levied under section 511.27 or division (H) of         | 31391 |
| section 5705.19 of the Revised Code for the support of township  | 31392 |
| park districts;  | 31393 |
| (9) A tax levied under division (A), (F), or (H) of              | 31394 |
| section 5705.19 of the Revised Code for parks and recreational   | 31395 |
| purposes of a joint recreation district organized pursuant to    | 31396 |
| division (B) of section 755.14 of the Revised Code;              | 31397 |
| (10) A tax levied under section 1545.20 or 1545.21 of the        | 31398 |
| Revised Code for park district purposes;                         | 31399 |
| (11) A tax levied under section 5705.191 of the Revised          | 31400 |
| Code for the purpose of making appropriations for public         | 31401 |
| assistance; human or social services; public relief; public      | 31402 |

welfare; public health and hospitalization; and support of 31403  
general hospitals; 31404

(12) A tax levied under section 3709.29 of the Revised 31405  
Code for a general health district program; 31406

(13) A tax levied by a township under section 505.39, 31407  
505.51, or division (I), (J), (U), or (JJ) of section 5705.19 of 31408  
the Revised Code for the purpose of funding fire, police, 31409  
emergency medical, or ambulance services as described in those 31410  
sections. Division (F)(13) of this section applies only to 31411  
incentive districts created by a resolution adopted on or after 31412  
March 22, 2019, the effective date of the amendment of this 31413  
section by H.B. 500 of the 132nd general assembly, and only if 31414  
that resolution specifies that division (F) of this section 31415  
shall apply to such a tax. 31416

(G) An exemption from taxation granted under this section 31417  
commences with the tax year specified in the resolution so long 31418  
as the year specified in the resolution commences after the 31419  
effective date of the resolution. If the resolution specifies a 31420  
year commencing before the effective date of the resolution or 31421  
specifies no year whatsoever, the exemption commences with the 31422  
tax year in which an exempted improvement first appears on the 31423  
tax list and duplicate of real and public utility property and 31424  
that commences after the effective date of the resolution. In 31425  
lieu of stating a specific year, the resolution may provide that 31426  
the exemption commences in the tax year in which the value of an 31427  
improvement exceeds a specified amount or in which the 31428  
construction of one or more improvements is completed, provided 31429  
that such tax year commences after the effective date of the 31430  
resolution. With respect to the exemption of improvements to 31431  
parcels under division (B) of this section, the resolution may 31432

allow for the exemption to commence in different tax years on a 31433  
parcel-by-parcel basis, with a separate exemption term specified 31434  
for each parcel. 31435

Except as otherwise provided in this division and section 31436  
5709.51 of the Revised Code, the exemption ends on the date 31437  
specified in the resolution as the date the improvement ceases 31438  
to be a public purpose or the incentive district expires, or 31439  
ends on the date on which the public infrastructure improvements 31440  
and housing renovations are paid in full from the township 31441  
public improvement tax increment equivalent fund established 31442  
under section 5709.75 of the Revised Code, whichever occurs 31443  
first. The exemption of an improvement with respect to a parcel 31444  
or within an incentive district may end on a later date, as 31445  
specified in the resolution, if the board of township trustees 31446  
and the board of education of the city, local, or exempted 31447  
village school district within which the parcel or district is 31448  
located have entered into a compensation agreement under section 31449  
5709.82 of the Revised Code with respect to the improvement and 31450  
the board of education has approved the term of the exemption 31451  
under division (D) of this section, but in no case shall the 31452  
improvement be exempted from taxation for more than thirty 31453  
years. The board of township trustees may, by majority vote, 31454  
adopt a resolution permitting the township to enter into such 31455  
agreements as the board finds necessary or appropriate to 31456  
provide for the construction or undertaking of public 31457  
infrastructure improvements and housing renovations. Any 31458  
exemption shall be claimed and allowed in the same or a similar 31459  
manner as in the case of other real property exemptions. If an 31460  
exemption status changes during a tax year, the procedure for 31461  
the apportionment of the taxes for that year is the same as in 31462  
the case of other changes in tax exemption status during the 31463

year. 31464

(H) The board of township trustees may issue the notes of 31465  
the township to finance all costs pertaining to the construction 31466  
or undertaking of public infrastructure improvements and housing 31467  
renovations made pursuant to this section. The notes shall be 31468  
signed by the board and attested by the signature of the 31469  
township fiscal officer, shall bear interest not to exceed the 31470  
rate provided in section 9.95 of the Revised Code, and are not 31471  
subject to Chapter 133. of the Revised Code. The resolution 31472  
authorizing the issuance of the notes shall pledge the funds of 31473  
the township public improvement tax increment equivalent fund 31474  
established pursuant to section 5709.75 of the Revised Code to 31475  
pay the interest on and principal of the notes. The notes, which 31476  
may contain a clause permitting prepayment at the option of the 31477  
board, shall be offered for sale on the open market or given to 31478  
the vendor or contractor if no sale is made. 31479

(I) The township, not later than fifteen days after the 31480  
adoption of a resolution under this section, shall submit to the 31481  
director of housing and development a copy of the resolution. On 31482  
or before the thirty-first day of March of each year, the 31483  
township shall submit a status report to the director. The 31484  
report shall indicate, in the manner prescribed by the director, 31485  
the progress of the project during each year that the exemption 31486  
remains in effect, including a summary of the receipts from 31487  
service payments in lieu of taxes; expenditures of money from 31488  
the fund created under section 5709.75 of the Revised Code; a 31489  
description of the public infrastructure improvements and 31490  
housing renovations financed with the expenditures; and a 31491  
quantitative summary of changes in private investment resulting 31492  
from each project. 31493



(J) Nothing in this section shall be construed to prohibit 31494  
a board of township trustees from declaring to be a public 31495  
purpose improvements with respect to more than one parcel. 31496

If a parcel is located in a new community district in 31497  
which the new community authority imposes a community 31498  
development charge on the basis of rentals received from leases 31499  
of real property as described in division (L) (2) of section 31500  
349.01 of the Revised Code, the parcel may not be exempted from 31501  
taxation under this section. 31502

(K) A board of township trustees that adopted a resolution 31503  
under this section prior to July 21, 1994, may amend that 31504  
resolution to include any additional public infrastructure 31505  
improvement. A board of township trustees that seeks by the 31506  
amendment to utilize money from its township public improvement 31507  
tax increment equivalent fund for land acquisition in aid of 31508  
industry, commerce, distribution, or research, demolition on 31509  
private property, or stormwater and flood remediation projects 31510  
may do so provided that the board currently is a party to a 31511  
hold-harmless agreement with the board of education of the city, 31512  
local, or exempted village school district within the territory 31513  
of which are located the parcels that are subject to an 31514  
exemption. For the purposes of this division, a "hold-harmless 31515  
agreement" means an agreement under which the board of township 31516  
trustees agrees to compensate the school district for one 31517  
hundred per cent of the tax revenue that the school district 31518  
would have received from further improvements to parcels 31519  
designated in the resolution were it not for the exemption 31520  
granted by the resolution. 31521

(L) Notwithstanding the limitation prescribed by division 31522  
(D) of this section on the number of years that improvements to 31523

a parcel or parcels may be exempted from taxation, a board of 31524  
trustees of a township with a population of fifteen thousand or 31525  
more may amend a resolution originally adopted under this 31526  
section before December 31, 1994, to extend the exemption of 31527  
improvements to the parcel or parcels included in such 31528  
resolution for an additional period not to exceed fifteen years. 31529  
The amendment shall not increase the percentage of improvements 31530  
to the parcel or parcels exempted from taxation. Before adopting 31531  
an amendment authorized under this division, the board of 31532  
township trustees shall obtain the approval of each board of 31533  
education of the city, local, or exempted village school 31534  
district within which the exempted parcels are located in the 31535  
manner required under division (D) of this section, except that 31536  
(1) the board of education may approve the exemption on the 31537  
condition that the board of township trustees and the board of 31538  
education negotiate an agreement providing for compensation to 31539  
the school district equal in value to the amount of taxes the 31540  
district forgoes in each year the exemption is extended pursuant 31541  
to this division or any other mutually agreeable compensation 31542  
and (2) if the board of education fails to certify a resolution 31543  
approving the amendment to the board of township trustees within 31544  
the time prescribed by division (D) of this section, the board 31545  
of township trustees shall not adopt the amendment authorized 31546  
under this division. 31547

No approval under this division shall be required from a 31548  
board of education that has adopted a resolution waiving its 31549  
right to approve exemptions from taxation pursuant to division 31550  
(D) of this section. If the board of education has adopted such 31551  
a resolution, the board of township trustees shall comply with 31552  
the notice requirements imposed under section 5709.83 of the 31553  
Revised Code before taking formal action to adopt an amendment 31554

authorized under this division unless the board of education has 31555  
adopted a resolution under that section waiving its right to 31556  
receive the notice. Not later than fourteen days before adopting 31557  
an amendment authorized under this division, the board of 31558  
township trustees shall deliver a notice identical to a notice 31559  
required under section 5709.83 of the Revised Code to the board 31560  
of county commissioners of each county in which the exempted 31561  
parcels are located. 31562

**Sec. 5709.78.** (A) A board of county commissioners may, by 31563  
resolution, declare improvements to certain parcels of real 31564  
property located in the unincorporated territory of the county 31565  
to be a public purpose. Except as otherwise provided under 31566  
division (C) of this section or section 5709.51 of the Revised 31567  
Code, not more than seventy-five per cent of an improvement thus 31568  
declared to be a public purpose may be exempted from real 31569  
property taxation, for a period of not more than ten years. The 31570  
resolution shall specify the percentage of the improvement to be 31571  
exempted and the life of the exemption. 31572

A resolution adopted under this division shall designate 31573  
the specific public infrastructure improvements made, to be 31574  
made, or in the process of being made by the county that 31575  
directly benefit, or that once made will directly benefit, the 31576  
parcels for which improvements are declared to be a public 31577  
purpose. The service payments provided for in section 5709.79 of 31578  
the Revised Code shall be used to finance the public 31579  
infrastructure improvements designated in the resolution, or as 31580  
provided in section 5709.80 of the Revised Code. 31581

(B) (1) A board of county commissioners may adopt a 31582  
resolution creating an incentive district and declaring 31583  
improvements to parcels within the district to be a public 31584

purpose and, except as provided in division (B) (2) of this 31585  
section, exempt from taxation as provided in this section, but 31586  
no board of county commissioners of a county that has a 31587  
population that exceeds twenty-five thousand, as shown by the 31588  
most recent federal decennial census, shall adopt a resolution 31589  
that creates an incentive district if the sum of the taxable 31590  
value of real property in the proposed district for the 31591  
preceding tax year and the taxable value of all real property in 31592  
the county that would have been taxable in the preceding year 31593  
were it not for the fact that the property was in an existing 31594  
incentive district and therefore exempt from taxation exceeds 31595  
twenty-five per cent of the taxable value of real property in 31596  
the county for the preceding tax year. The district shall be 31597  
located within the unincorporated territory of the county and 31598  
shall not include any territory that is included within a 31599  
district created under division (C) of section 5709.73 of the 31600  
Revised Code. The resolution shall delineate the boundary of the 31601  
proposed district and specifically identify each parcel within 31602  
the district. A proposed district may not include any parcel 31603  
that is or has been exempted from taxation under division (A) of 31604  
this section or that is or has been within another district 31605  
created under this division. A resolution may create more than 31606  
one such district, and more than one resolution may be adopted 31607  
under division (B) (1) of this section. 31608

(2) (a) Not later than thirty days prior to adopting a 31609  
resolution under division (B) (1) of this section, if the county 31610  
intends to apply for exemptions from taxation under section 31611  
5709.911 of the Revised Code on behalf of owners of real 31612  
property located within the proposed incentive district, the 31613  
board of county commissioners shall conduct a public hearing on 31614  
the proposed resolution. Not later than thirty days prior to the 31615

public hearing, the board shall give notice of the public 31616  
hearing and the proposed resolution by first class mail to every 31617  
real property owner whose property is located within the 31618  
boundaries of the proposed incentive district that is the 31619  
subject of the proposed resolution. The board also shall provide 31620  
the notice by first class mail to the clerk of each township in 31621  
which the proposed incentive district will be located. The 31622  
notice shall include a map of the proposed incentive district on 31623  
which the board of county commissioners shall have delineated an 31624  
overlay. The notice shall inform property owners of the owner's 31625  
right to exclude the owner's property from the incentive 31626  
district if both of the following conditions are met: 31627

(i) The owner's entire parcel of property will not be 31628  
located within the overlay. 31629

(ii) The owner has submitted a statement to the board of 31630  
township trustees of the township in which the parcel is located 31631  
indicating the owner's intent to seek a tax exemption for 31632  
improvements to the owner's parcel under section 5709.41 or 31633  
division (B) or (C) of section 5709.73 of the Revised Code 31634  
within the next five years. 31635

When both of the preceding conditions are met, the owner 31636  
may exclude the owner's property from the incentive district by 31637  
submitting a written response in accordance with division (B) (2) 31638  
(b) of this section. The notice also shall include information 31639  
detailing the required contents of the response, the address to 31640  
which the response may be mailed, and the deadline for 31641  
submitting the response. 31642

(b) Any owner of real property located within the 31643  
boundaries of an incentive district proposed under division (B) 31644  
(1) of this section who meets the conditions specified in 31645

divisions (B) (2) (a) (i) and (ii) of this section may exclude the 31646  
property from the proposed incentive district by submitting a 31647  
written response to the board not later than forty-five days 31648  
after the postmark date on the notice required under division 31649  
(B) (2) (a) of this section. The response shall include a copy of 31650  
the statement submitted under division (B) (2) (a) (ii) of this 31651  
section. The response shall be sent by first class mail or 31652  
delivered in person at a public hearing held by the board under 31653  
division (B) (2) (a) of this section. The response shall conform 31654  
to any content requirements that may be established by the board 31655  
and included in the notice provided under division (B) (2) (a) of 31656  
this section. In the response, property owners may identify a 31657  
parcel by street address, by the manner in which it is 31658  
identified in the resolution, or by other means allowing the 31659  
identity of the parcel to be ascertained. 31660

(c) Before adopting a resolution under division (B) (1) of 31661  
this section, the board shall amend the resolution to exclude 31662  
any parcel for which a written response has been submitted under 31663  
division (B) (2) (b) of this section. A county shall not apply for 31664  
exemptions from taxation under section 5709.911 of the Revised 31665  
Code for any such parcel, and service payments may not be 31666  
required from the owner of the parcel. Improvements to a parcel 31667  
excluded from an incentive district under this division may be 31668  
exempted from taxation under division (A) of this section 31669  
pursuant to a resolution adopted under that division or under 31670  
any other section of the Revised Code under which the parcel 31671  
qualifies. 31672

(3) (a) A resolution adopted under division (B) (1) of this 31673  
section shall specify the life of the incentive district and the 31674  
percentage of the improvements to be exempted, shall designate 31675  
the public infrastructure improvements made, to be made, or in 31676

the process of being made, that benefit or serve, or, once made, 31677  
will benefit or serve parcels in the district. The resolution 31678  
also shall identify one or more specific projects being, or to 31679  
be, undertaken in the district that place additional demand on 31680  
the public infrastructure improvements designated in the 31681  
resolution. The project identified may, but need not be, the 31682  
project under division (B) (3) (b) of this section that places 31683  
real property in use for commercial or industrial purposes. 31684

A resolution adopted under division (B) (1) of this section 31685  
on or after March 30, 2006, shall not designate police or fire 31686  
equipment as public infrastructure improvements, and no service 31687  
payment provided for in section 5709.79 of the Revised Code and 31688  
received by the county under the resolution shall be used for 31689  
police or fire equipment. 31690

(b) A resolution adopted under division (B) (1) of this 31691  
section may authorize the use of service payments provided for 31692  
in section 5709.79 of the Revised Code for the purpose of 31693  
housing renovations within the incentive district, provided that 31694  
the resolution also designates public infrastructure 31695  
improvements that benefit or serve the district, and that a 31696  
project within the district places real property in use for 31697  
commercial or industrial purposes. Service payments may be used 31698  
to finance or support loans, deferred loans, and grants to 31699  
persons for the purpose of housing renovations within the 31700  
district. The resolution shall designate the parcels within the 31701  
district that are eligible for housing renovations. The 31702  
resolution shall state separately the amount or the percentages 31703  
of the expected aggregate service payments that are designated 31704  
for each public infrastructure improvement and for the purpose 31705  
of housing renovations. 31706

(4) Except with the approval of the board of education of each city, local, or exempted village school district within the territory of which the incentive district is or will be located, and subject to division (D) of this section, the life of an incentive district shall not exceed ten years, and the percentage of improvements to be exempted shall not exceed seventy-five per cent. With approval of the board of education, the life of a district may be not more than thirty years, and the percentage of improvements to be exempted may be not more than one hundred per cent. The approval of a board of education shall be obtained in the manner provided in division (C) of this section.

(C) (1) Improvements with respect to a parcel may be exempted from taxation under division (A) of this section, and improvements to parcels within an incentive district may be exempted from taxation under division (B) of this section, for up to ten years or, with the approval of the board of education of each city, local, or exempted village school district within which the parcel or district is located, for up to thirty years. The percentage of the improvements exempted from taxation may, with such approval, exceed seventy-five per cent, but shall not exceed one hundred per cent. Not later than forty-five business days prior to adopting a resolution under this section declaring improvements to be a public purpose that is subject to the approval of a board of education under this division, the board of county commissioners shall deliver to the board of education a notice stating its intent to adopt a resolution making that declaration. The notice regarding improvements with respect to a parcel under division (A) of this section shall identify the parcels for which improvements are to be exempted from taxation, provide an estimate of the true value in money of the



improvements, specify the period for which the improvements 31738  
would be exempted from taxation and the percentage of the 31739  
improvements that would be exempted, and indicate the date on 31740  
which the board of county commissioners intends to adopt the 31741  
resolution. The notice regarding improvements to parcels within 31742  
an incentive district under division (B) of this section shall 31743  
delineate the boundaries of the district, specifically identify 31744  
each parcel within the district, identify each anticipated 31745  
improvement in the district, provide an estimate of the true 31746  
value in money of each such improvement, specify the life of the 31747  
district and the percentage of improvements that would be 31748  
exempted, and indicate the date on which the board of county 31749  
commissioners intends to adopt the resolution. The board of 31750  
education, by resolution adopted by a majority of the board, may 31751  
approve the exemption for the period or for the exemption 31752  
percentage specified in the notice; may disapprove the exemption 31753  
for the number of years in excess of ten, may disapprove the 31754  
exemption for the percentage of the improvements to be exempted 31755  
in excess of seventy-five per cent, or both; or may approve the 31756  
exemption on the condition that the board of county 31757  
commissioners and the board of education negotiate an agreement 31758  
providing for compensation to the school district equal in value 31759  
to a percentage of the amount of taxes exempted in the eleventh 31760  
and subsequent years of the exemption period or, in the case of 31761  
exemption percentages in excess of seventy-five per cent, 31762  
compensation equal in value to a percentage of the taxes that 31763  
would be payable on the portion of the improvements in excess of 31764  
seventy-five per cent were that portion to be subject to 31765  
taxation, or other mutually agreeable compensation. 31766

(2) The board of education shall certify its resolution to 31767  
the board of county commissioners not later than fourteen days 31768

prior to the date the board of county commissioners intends to 31769  
adopt its resolution as indicated in the notice. If the board of 31770  
education and the board of county commissioners negotiate a 31771  
mutually acceptable compensation agreement, the resolution of 31772  
the board of county commissioners may declare the improvements a 31773  
public purpose for the number of years specified in that 31774  
resolution or, in the case of exemption percentages in excess of 31775  
seventy-five per cent, for the exemption percentage specified in 31776  
the resolution. In either case, if the board of education and 31777  
the board of county commissioners fail to negotiate a mutually 31778  
acceptable compensation agreement, the resolution may declare 31779  
the improvements a public purpose for not more than ten years, 31780  
and shall not exempt more than seventy-five per cent of the 31781  
improvements from taxation. If the board of education fails to 31782  
certify a resolution to the board of county commissioners within 31783  
the time prescribed by this section, the board of county 31784  
commissioners thereupon may adopt the resolution and may declare 31785  
the improvements a public purpose for up to thirty years or, in 31786  
the case of exemption percentages proposed in excess of seventy- 31787  
five per cent, for the exemption percentage specified in the 31788  
resolution. The board of county commissioners may adopt the 31789  
resolution at any time after the board of education certifies 31790  
its resolution approving the exemption to the board of county 31791  
commissioners, or, if the board of education approves the 31792  
exemption on the condition that a mutually acceptable 31793  
compensation agreement be negotiated, at any time after the 31794  
compensation agreement is agreed to by the board of education 31795  
and the board of county commissioners. If a mutually acceptable 31796  
compensation agreement is negotiated between the board of county 31797  
commissioners and the board of education, including agreements 31798  
for payments in lieu of taxes under section 5709.79 of the 31799  
Revised Code, the board of county commissioners shall compensate 31800

the joint vocational school district within which the parcel or 31801  
district is located at the same rate and under the same terms 31802  
received by the city, local, or exempted village school 31803  
district. 31804

(3) If a board of education has adopted a resolution 31805  
waiving its right to approve exemptions from taxation under this 31806  
section and the resolution remains in effect, approval of such 31807  
exemptions by the board of education is not required under 31808  
division (C) of this section. If a board of education has 31809  
adopted a resolution allowing a board of county commissioners to 31810  
deliver the notice required under division (C) of this section 31811  
fewer than forty-five business days prior to approval of the 31812  
resolution by the board of county commissioners, the board of 31813  
county commissioners shall deliver the notice to the board of 31814  
education not later than the number of days prior to such 31815  
approval as prescribed by the board of education in its 31816  
resolution. If a board of education adopts a resolution waiving 31817  
its right to approve exemptions or shortening the notification 31818  
period, the board of education shall certify a copy of the 31819  
resolution to the board of county commissioners. If the board of 31820  
education rescinds such a resolution, it shall certify notice of 31821  
the rescission to the board of county commissioners. 31822

(4) Nothing in division (C) of this section prohibits the 31823  
board of county commissioners from amending the resolution under 31824  
section 5709.51 of the Revised Code to extend the term of the 31825  
exemption. 31826

(D) (1) If a proposed resolution under division (B) (1) of 31827  
this section exempts improvements with respect to a parcel 31828  
within an incentive district for more than ten years, or the 31829  
percentage of the improvement exempted from taxation exceeds 31830

seventy-five per cent, not later than forty-five business days 31831  
prior to adopting the resolution the board of county 31832  
commissioners shall deliver to the board of township trustees of 31833  
any township within which the incentive district is or will be 31834  
located a notice that states its intent to adopt a resolution 31835  
creating an incentive district. The notice shall include a copy 31836  
of the proposed resolution, identify the parcels for which 31837  
improvements are to be exempted from taxation, provide an 31838  
estimate of the true value in money of the improvements, specify 31839  
the period of time for which the improvements would be exempted 31840  
from taxation, specify the percentage of the improvements that 31841  
would be exempted from taxation, and indicate the date on which 31842  
the board intends to adopt the resolution. 31843

(2) The board of township trustees, by resolution adopted 31844  
by a majority of the board, may object to the exemption for the 31845  
number of years in excess of ten, may object to the exemption 31846  
for the percentage of the improvement to be exempted in excess 31847  
of seventy-five per cent, or both. If the board of township 31848  
trustees objects, the board of township trustees may negotiate a 31849  
mutually acceptable compensation agreement with the board of 31850  
county commissioners. In no case shall the compensation provided 31851  
to the board of township trustees exceed the property taxes 31852  
forgone due to the exemption. If the board of township trustees 31853  
objects, and the board of township trustees and the board of 31854  
county commissioners fail to negotiate a mutually acceptable 31855  
compensation agreement, the resolution adopted under division 31856  
(B) (1) of this section shall provide to the board of township 31857  
trustees compensation in the eleventh and subsequent years of 31858  
the exemption period equal in value to not more than fifty per 31859  
cent of the taxes that would be payable to the township or, if 31860  
the board of township trustee's objection includes an objection 31861

to an exemption percentage in excess of seventy-five per cent, 31862  
compensation equal in value to not more than fifty per cent of 31863  
the taxes that would be payable to the township on the portion 31864  
of the improvement in excess of seventy-five per cent, were that 31865  
portion to be subject to taxation. The board of township 31866  
trustees shall certify its resolution to the board of county 31867  
commissioners not later than thirty days after receipt of the 31868  
notice. 31869

(3) If the board of township trustees does not object or 31870  
fails to certify a resolution objecting to an exemption within 31871  
thirty days after receipt of the notice, the board of county 31872  
commissioners may adopt its resolution, and no compensation 31873  
shall be provided to the board of township trustees. If the 31874  
board of township trustees certifies its resolution objecting to 31875  
the commissioners' resolution, the board of county commissioners 31876  
may adopt its resolution at any time after a mutually acceptable 31877  
compensation agreement is agreed to by the board of county 31878  
commissioners and the board of township trustees. If the board 31879  
of township trustees certifies a resolution objecting to the 31880  
commissioners' resolution, the board of county commissioners may 31881  
adopt its resolution at any time after a mutually acceptable 31882  
compensation agreement is agreed to by the board of county 31883  
commissioners and the board of township trustees, or, if no 31884  
compensation agreement is negotiated, at any time after the 31885  
board of county commissioners in the proposed resolution to 31886  
provide compensation to the board of township trustees of fifty 31887  
per cent of the taxes that would be payable to the township in 31888  
the eleventh and subsequent years of the exemption period or on 31889  
the portion of the improvement in excess of seventy-five per 31890  
cent, were that portion to be subject to taxation. 31891

(E) Service payments in lieu of taxes that are 31892

attributable to any amount by which the effective tax rate of 31893  
either a renewal levy with an increase or a replacement levy 31894  
exceeds the effective tax rate of the levy renewed or replaced, 31895  
or that are attributable to an additional levy, for a levy 31896  
authorized by the voters for any of the following purposes on or 31897  
after January 1, 2006, and which are provided pursuant to a 31898  
resolution creating an incentive district under division (B)(1) 31899  
of this section that is adopted on or after January 1, 2006, 31900  
shall be distributed to the appropriate taxing authority as 31901  
required under division (D) of section 5709.79 of the Revised 31902  
Code in an amount equal to the amount of taxes from that 31903  
additional levy or from the increase in the effective tax rate 31904  
of such renewal or replacement levy that would have been payable 31905  
to that taxing authority from the following levies were it not 31906  
for the exemption authorized under division (B) of this section: 31907

(1) A tax levied under division (L) of section 5705.19 or 31908  
section 5705.191 or 5705.222 of the Revised Code for community 31909  
developmental disabilities programs and services pursuant to 31910  
Chapter 5126. of the Revised Code; 31911

(2) A tax levied under division (Y) of section 5705.19 of 31912  
the Revised Code for providing or maintaining senior citizens 31913  
services or facilities; 31914

(3) A tax levied under section 5705.22 of the Revised Code 31915  
for county hospitals; 31916

(4) A tax levied by a joint-county district or by a county 31917  
under section 5705.19, 5705.191, or 5705.221 of the Revised Code 31918  
for alcohol, drug addiction, and mental health services or 31919  
facilities; 31920

(5) A tax levied under section 5705.23 of the Revised Code 31921

|  |       |
|--|-------|
| for library purposes;  | 31922 |
| (6) A tax levied under section 5705.24 of the Revised Code       | 31923 |
| for the support of children services and the placement and care  | 31924 |
| of children;   | 31925 |
| (7) A tax levied under division (Z) of section 5705.19 of        | 31926 |
| the Revised Code for the provision and maintenance of zoological | 31927 |
| park services and facilities under section 307.76 of the Revised | 31928 |
| Code;  | 31929 |
| (8) A tax levied under section 511.27 or division (H) of         | 31930 |
| section 5705.19 of the Revised Code for the support of township  | 31931 |
| park districts;  | 31932 |
| (9) A tax levied under division (A), (F), or (H) of              | 31933 |
| section 5705.19 of the Revised Code for parks and recreational   | 31934 |
| purposes of a joint recreation district organized pursuant to    | 31935 |
| division (B) of section 755.14 of the Revised Code;              | 31936 |
| (10) A tax levied under section 1545.20 or 1545.21 of the        | 31937 |
| Revised Code for park district purposes;                         | 31938 |
| (11) A tax levied under section 5705.191 of the Revised          | 31939 |
| Code for the purpose of making appropriations for public         | 31940 |
| assistance; human or social services; public relief; public      | 31941 |
| welfare; public health and hospitalization; and support of       | 31942 |
| general hospitals;   | 31943 |
| (12) A tax levied under section 3709.29 of the Revised           | 31944 |
| Code for a general health district program.                      | 31945 |
| (F) An exemption from taxation granted under this section        | 31946 |
| commences with the tax year specified in the resolution so long  | 31947 |
| as the year specified in the resolution commences after the      | 31948 |
| effective date of the resolution. If the resolution specifies a  | 31949 |

year commencing before the effective date of the resolution or 31950  
specifies no year whatsoever, the exemption commences with the 31951  
tax year in which an exempted improvement first appears on the 31952  
tax list and duplicate of real and public utility property and 31953  
that commences after the effective date of the resolution. In 31954  
lieu of stating a specific year, the resolution may provide that 31955  
the exemption commences in the tax year in which the value of an 31956  
improvement exceeds a specified amount or in which the 31957  
construction of one or more improvements is completed, provided 31958  
that such tax year commences after the effective date of the 31959  
resolution. With respect to the exemption of improvements to 31960  
parcels under division (A) of this section, the resolution may 31961  
allow for the exemption to commence in different tax years on a 31962  
parcel-by-parcel basis, with a separate exemption term specified 31963  
for each parcel. 31964

Except as otherwise provided in this division, the 31965  
exemption ends on the date specified in the resolution as the 31966  
date the improvement ceases to be a public purpose or the 31967  
incentive district expires, or ends on the date on which the 31968  
county can no longer require annual service payments in lieu of 31969  
taxes under section 5709.79 of the Revised Code, whichever 31970  
occurs first. The exemption of an improvement with respect to a 31971  
parcel or within an incentive district may end on a later date, 31972  
as specified in the resolution, if the board of commissioners 31973  
and the board of education of the city, local, or exempted 31974  
village school district within which the parcel or district is 31975  
located have entered into a compensation agreement under section 31976  
5709.82 of the Revised Code with respect to the improvement, and 31977  
the board of education has approved the term of the exemption 31978  
under division (C)(1) of this section, but in no case shall the 31979  
improvement be exempted from taxation for more than thirty 31980



years. Exemptions shall be claimed and allowed in the same or a 31981  
similar manner as in the case of other real property exemptions. 31982  
If an exemption status changes during a tax year, the procedure 31983  
for the apportionment of the taxes for that year is the same as 31984  
in the case of other changes in tax exemption status during the 31985  
year. 31986

(G) If the board of county commissioners is not required 31987  
by this section to notify the board of education of the board of 31988  
county commissioners' intent to declare improvements to be a 31989  
public purpose, the board of county commissioners shall comply 31990  
with the notice requirements imposed under section 5709.83 of 31991  
the Revised Code before taking formal action to adopt the 31992  
resolution making that declaration, unless the board of 31993  
education has adopted a resolution under that section waiving 31994  
its right to receive such a notice. 31995

(H) The county, not later than fifteen days after the 31996  
adoption of a resolution under this section, shall submit to the 31997  
director of housing and development a copy of the resolution. On 31998  
or before the thirty-first day of March of each year, the county 31999  
shall submit a status report to the director. The report shall 32000  
indicate, in the manner prescribed by the director, the progress 32001  
of the project during each year that an exemption remains in 32002  
effect, including a summary of the receipts from service 32003  
payments in lieu of taxes; expenditures of money from the fund 32004  
created under section 5709.80 of the Revised Code; a description 32005  
of the public infrastructure improvements and housing 32006  
renovations financed with such expenditures; and a quantitative 32007  
summary of changes in employment and private investment 32008  
resulting from each project. 32009

(I) Nothing in this section shall be construed to prohibit 32010

a board of county commissioners from declaring to be a public 32011  
purpose improvements with respect to more than one parcel. 32012

(J) If a parcel is located in a new community district in 32013  
which the new community authority imposes a community 32014  
development charge on the basis of rentals received from leases 32015  
of real property as described in division (L) (2) of section 32016  
349.01 of the Revised Code, the parcel may not be exempted from 32017  
taxation under this section. 32018

**Sec. 5709.82.** (A) As used in this section: 32019

(1) "New employee" means both of the following: 32020

(a) Persons employed in the construction of real property 32021  
exempted from taxation under the chapters or sections of the 32022  
Revised Code enumerated in division (B) of this section; 32023

(b) Persons not described by division (A) (1) (a) of this 32024  
section who are first employed at the site of such property and 32025  
who within the two previous years have not been subject, prior 32026  
to being employed at that site, to income taxation by the 32027  
municipal corporation within whose territory the site is located 32028  
on income derived from employment for the person's current 32029  
employer. "New employee" does not include any person who 32030  
replaces a person who is not a new employee under division (A) 32031  
(1) of this section. 32032

(2) "Infrastructure costs" means costs incurred by a 32033  
municipal corporation in a calendar year to acquire, construct, 32034  
reconstruct, improve, plan, or equip real or tangible personal 32035  
property that directly benefits or will directly benefit the 32036  
exempted property. If the municipal corporation finances the 32037  
acquisition, construction, reconstruction, improvement, 32038  
planning, or equipping of real or tangible personal property 32039

that directly benefits the exempted property by issuing debt, 32040  
"infrastructure costs" means the annual debt charges incurred by 32041  
the municipal corporation from the issuance of such debt. Real 32042  
or tangible personal property directly benefits exempted 32043  
property only if the exempted property places or will place 32044  
direct, additional demand on the real or tangible personal 32045  
property for which such costs were or will be incurred. 32046

(3) "Taxing unit" has the same meaning as in division (H) 32047  
of section 5705.01 of the Revised Code. 32048

(B) (1) Except as otherwise provided under division (C) of 32049  
this section, the legislative authority of any political 32050  
subdivision that has acted under the authority of Chapter 725. 32051  
or 1728., sections 3735.65 to 3735.70, or section 5709.40, 32052  
5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 5709.78, 32053  
5709.84, or 5709.88 of the Revised Code to grant an exemption 32054  
from taxation for real or tangible personal property may 32055  
negotiate with the board of education of each city, local, 32056  
exempted village, or joint vocational school district or other 32057  
taxing unit within the territory of which the exempted property 32058  
is located, and enter into an agreement whereby the school 32059  
district or taxing unit is compensated for tax revenue foregone 32060  
by the school district or taxing unit as a result of the 32061  
exemption. Except as otherwise provided in division (B) (1) of 32062  
this section, if a political subdivision enters into more than 32063  
one agreement under this section with respect to a tax 32064  
exemption, the political subdivision shall provide to each 32065  
school district or taxing unit with which it contracts the same 32066  
percentage of tax revenue foregone by the school district or 32067  
taxing unit, which may be based on a good faith projection made 32068  
at the time the exemption is granted. Such percentage shall be 32069  
calculated on the basis of amounts paid by the political 32070

subdivision and any amounts paid by an owner under division (B) 32071  
(2) of this section. A political subdivision may provide a 32072  
school district or other taxing unit with a smaller percentage 32073  
of foregone tax revenue than that provided to other school 32074  
districts or taxing units only if the school district or taxing 32075  
unit expressly consents in the agreement to receiving a smaller 32076  
percentage. If a subdivision has acted under the authority of 32077  
section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 32078  
5709.632, 5709.73, or 5709.78 of the Revised Code and enters 32079  
into a compensation agreement with a city, local, or exempted 32080  
village school district, the subdivision shall provide 32081  
compensation to the joint vocational school district within the 32082  
territory of which the exempted property is located at the same 32083  
rate and under the same terms as received by the city, local, or 32084  
exempted village school district. 32085

(2) An owner of property exempted from taxation under the 32086  
authority described in division (B)(1) of this section may, by 32087  
becoming a party to an agreement described in division (B)(1) of 32088  
this section or by entering into a separate agreement with a 32089  
school district or other taxing unit, agree to compensate the 32090  
school district or taxing unit by paying cash or by providing 32091  
property or services by gift, loan, or otherwise. If the owner's 32092  
property is exempted under the authority of section 3735.671, 32093  
5709.40, 5709.41, 5709.45, 5709.62, 5709.63, 5709.632, 5709.73, 32094  
or 5709.78 of the Revised Code and the owner enters into a 32095  
compensation agreement with a city, local, or exempted village 32096  
school district, the owner shall provide compensation to the 32097  
joint vocational school district within the territory of which 32098  
the owner's property is located at the same rate and under the 32099  
same terms as received by the city, local, or exempted village 32100  
school district. 32101

|  |       |
|--|-------|
| (C) This division does not apply to the following:               | 32102 |
| (1) The legislative authority of a municipal corporation         | 32103 |
| that has acted under the authority of division (H) of section    | 32104 |
| 715.70 or division (U) of section 715.72 of the Revised Code to  | 32105 |
| consent to the granting of an exemption from taxation for real   | 32106 |
| or tangible personal property in a joint economic development    | 32107 |
| district.  | 32108 |
| (2) The legislative authority of a municipal corporation         | 32109 |
| that has specified in an ordinance adopted under section         | 32110 |
| 5709.40, 5709.41, or 5709.45 of the Revised Code that payments   | 32111 |
| in lieu of taxes provided for under section 5709.42 or 5709.46   | 32112 |
| of the Revised Code shall be paid to the city, local, or         | 32113 |
| exempted village school district in which the improvements are   | 32114 |
| located in the amount of taxes that would have been payable to   | 32115 |
| the school district if the improvements had not been exempted    | 32116 |
| from taxation, as directed in the ordinance.                     | 32117 |
| If the legislative authority of any municipal corporation        | 32118 |
| has acted under the authority of Chapter 725. or 1728. or        | 32119 |
| section 3735.671, 5709.40, 5709.41, 5709.45, 5709.62, 5709.63,   | 32120 |
| 5709.632, or 5709.88, or a housing officer under section 3735.67 | 32121 |
| of the Revised Code, to grant or consent to the granting of an   | 32122 |
| exemption from taxation for real or tangible personal property   | 32123 |
| on or after July 1, 1994, the municipal corporation imposes a    | 32124 |
| tax on incomes, and the payroll of new employees resulting from  | 32125 |
| the exercise of that authority equals or exceeds one million     | 32126 |
| dollars, or two million dollars, as adjusted under division (E)  | 32127 |
| of this section, in the case of the authority exercised under    | 32128 |
| section 3735.67 or 3735.671 of the Revised Code, in any tax year | 32129 |
| for which such property is exempted, the legislative authority   | 32130 |
| and the board of education of each city, local, or exempted      | 32131 |

village school district within the territory of which the 32132  
exempted property is located shall attempt to negotiate an 32133  
agreement providing for compensation to the school district for 32134  
all or a portion of the tax revenue the school district would 32135  
have received had the property not been exempted from taxation. 32136  
The agreement may include as a party the owner of the property 32137  
exempted or to be exempted from taxation and may include 32138  
provisions obligating the owner to compensate the school 32139  
district by paying cash or providing property or services by 32140  
gift, loan, or otherwise. Such an obligation is enforceable by 32141  
the board of education of the school district pursuant to the 32142  
terms of the agreement. 32143

If the legislative authority and board of education fail 32144  
to negotiate an agreement that is mutually acceptable within six 32145  
months of formal approval by the legislative authority of the 32146  
instrument granting the exemption, the legislative authority 32147  
shall compensate the school district in the amount and manner 32148  
prescribed by division (D) of this section. 32149

(D) Annually, the legislative authority of a municipal 32150  
corporation subject to this division shall pay to the city, 32151  
local, or exempted village school district within the territory 32152  
of which the exempted property is located an amount equal to 32153  
fifty per cent of the difference between the amount of taxes 32154  
levied and collected by the municipal corporation on the incomes 32155  
of new employees in the calendar year ending on the day the 32156  
payment is required to be made, and the amount of any 32157  
infrastructure costs incurred in that calendar year. For 32158  
purposes of such computation, the amount of infrastructure costs 32159  
shall not exceed thirty-five per cent of the amount of those 32160  
taxes unless the board of education of the school district, by 32161  
resolution adopted by a majority of the board, approves an 32162

amount in excess of that percentage. If the amount of those 32163  
taxes or infrastructure costs must be estimated at the time the 32164  
payment is made, payments in subsequent years shall be adjusted 32165  
to compensate for any departure of those estimates from the 32166  
actual amount of those taxes. 32167

A municipal corporation required to make a payment under 32168  
this section shall make the payment from its general fund or a 32169  
special fund established for the purpose. The payment is payable 32170  
on the thirty-first day of December of the tax year for or in 32171  
which the exemption from taxation commences and on that day for 32172  
each subsequent tax year property is exempted and the 32173  
legislative authority and board fail to negotiate an acceptable 32174  
agreement under division (C) of this section. 32175

(E) (1) The director of housing and development shall 32176  
adjust, in September of each year, the payroll threshold 32177  
described in division (C) (2) of this section applicable to the 32178  
exercise of authority under section 3735.67 or 3735.671 of the 32179  
Revised Code by completing the following computations: 32180

(a) Determine the percentage increase in the gross 32181  
domestic product deflator determined by the bureau of economic 32182  
analysis of the United States department of commerce from the 32183  
first day of January of the preceding calendar year to the last 32184  
day of December of the preceding calendar year; 32185

(b) Multiply that percentage increase by the threshold 32186  
applicable for the current year; 32187

(c) Add the resulting product to the threshold applicable 32188  
for the current year; 32189

(d) Round the resulting sum to the nearest one thousand 32190  
dollars. 32191

(2) The director shall certify the amount of the 32192  
adjustment under division (E)(1) of this section to each 32193  
legislative authority of a municipal corporation and housing 32194  
officer designated by a municipal corporation exercising 32195  
authority under section 3735.67 or 3735.671 of the Revised Code 32196  
not later than the first day of December of the year the 32197  
director computes the adjustment. The certified amount applies 32198  
to the ensuing calendar year and each calendar year thereafter 32199  
until the director makes a new adjustment. The director shall 32200  
not calculate a new adjustment in any year in which the 32201  
resulting threshold amount from the adjustment would be less 32202  
than the threshold for the current year. 32203

**Sec. 5709.87.** (A) As used in this section: 32204

(1) "Improvement," "building," "fixture," and "structure" 32205  
have the same meanings as in section 5701.02 of the Revised 32206  
Code. 32207

(2) "Property," "remedy," and "remedial activities" have 32208  
the same meanings as in section 3746.01 of the Revised Code. 32209

(B) The director of environmental protection, after 32210  
issuing a covenant not to sue for property under section 3746.12 32211  
of the Revised Code and determining that remedies or remedial 32212  
activities have commenced or been completed at that property to 32213  
the satisfaction of the director, shall certify to the tax 32214  
commissioner and to the director of housing and development 32215  
~~services~~ that such a covenant has been issued, that such 32216  
remedies or remedial activities have occurred at that property, 32217  
and the date on which those remedial activities began. The 32218  
certification shall be in such form as is agreed upon by the 32219  
~~directors~~ director of environmental protection ~~and~~, the 32220  
director of housing and development ~~services~~, and the tax 32221



commissioner and shall include a description of the property in 32222  
sufficient detail for the tax commissioner and director of 32223  
housing and development services to determine the boundaries of 32224  
the property entitled to exemption from taxation under this 32225  
section. 32226

(C) (1) (a) Upon receipt by the tax commissioner of a 32227  
certification for property under division (B) of this section, 32228  
the commissioner shall issue an order granting an exemption from 32229  
real property taxation of the increase in the assessed value of 32230  
land constituting property that is described in the 32231  
certification and of the increase in the assessed value of 32232  
improvements, buildings, fixtures, and structures that are 32233  
situated on that land on the tax lien date of the year in which 32234  
the remedial activities began. For each tax year of the 32235  
exemption allowed under this section, this increase in assessed 32236  
value shall equal the amount by which the assessed value of that 32237  
land or those improvements, buildings, fixtures, or structures 32238  
on the tax lien date of that year as indicated on the tax list 32239  
for that year exceeds the assessed value of that land or those 32240  
improvements, buildings, fixtures, or structures on the tax lien 32241  
date of the year in which the remedial activities began as 32242  
indicated on the tax list for that year. The exemption shall 32243  
commence on the first day of the tax year including the day on 32244  
which the order is issued and shall end on the last day of the 32245  
tenth tax year after issuance of the order. The order shall 32246  
include a description of the property and the tax years for 32247  
which the property is to be exempted from taxation. The 32248  
commissioner shall send copies of the exemption order to the 32249  
owner of record of the property to which the exemption applies 32250  
and to the county auditor of each county in which any portion of 32251  
that property is located. 32252

(b) Within sixty days after receiving the commissioner's order, the owner of record of the property may notify the commissioner in writing that the owner does not want the exemption from real property taxation provided under division (C) (1) of this section to apply. Upon receiving such a notification from the property owner of record, the commissioner shall issue a subsequent order rescinding the previously granted exemption.

(2) The director of housing and development ~~services~~ shall maintain a record of certifications received under this section for purposes of section 5709.88 of the Revised Code.

(D) Any sale or other transfer of the property does not affect an exemption granted under division (C) of this section. The exemption shall continue in effect thereafter for the full period stated in the exemption order.

(E) If at any time the director revokes a covenant not to sue under Chapter 3746. of the Revised Code and rules adopted under it for property concerning which the commissioner has issued an exemption order under division (C) of this section, the director shall so notify the commissioner and the legislative authority of the municipal corporation and county in which the property is located. The commissioner immediately shall rescind the exemption order and shall so notify the owner of record of the property and the county auditor of each county in which any portion of the property is located.

Upon revocation of the covenant not to sue, the owner of record shall pay the amount of taxes that would have been charged against the property had the property not been exempted from taxation for the period beginning with commencement of the exemption and ending with the date of revocation of the covenant

not to sue. The county auditor shall return the property to the 32283  
tax list and enter on the tax list the amount so payable as 32284  
current taxes charged against the property. Taxes required to be 32285  
paid pursuant to this section are payable in full on the first 32286  
succeeding day on which the first one-half of taxes is required 32287  
to be paid under section 323.12 of the Revised Code. If such 32288  
taxes are not paid in full when due, a penalty shall be charged, 32289  
and interest shall accrue on those taxes, as provided in section 32290  
323.121 of the Revised Code. In cases of underpayment or 32291  
nonpayment, the deficiency shall be collected as otherwise 32292  
provided for the collection of delinquent real property taxes. 32293

**Sec. 5709.88.** (A) As used in sections 5709.88 ~~through~~ to 32294  
5709.883 of the Revised Code: 32295

(1) "Enterprise," "expand," "renovate," "project," 32296  
"project site," "position," "full-time employee," "first used in 32297  
business," and "making retail sales" have the same meanings as 32298  
in section 5709.61 of the Revised Code. 32299

(2) "Property," "remedy," and "remedial activities" have 32300  
the same meanings as in section 3746.01 of the Revised Code. 32301

(3) "Facility" means an enterprise's place of business, 32302  
including land constituting property that is described in a 32303  
certification under division (B) of section 5709.87 of the 32304  
Revised Code, and buildings, improvements, fixtures, structures, 32305  
machinery, equipment, and other materials, except inventory, 32306  
used in business and situated on such land. "Facility" does not 32307  
include any portion of an enterprise's place of business used 32308  
primarily for making retail sales unless the place of business 32309  
is located in an impacted city as defined in section 1728.01 of 32310  
the Revised Code. 32311

(4) "New employee" means a full-time employee first 32312  
employed by an enterprise at a facility that is a project site 32313  
after the enterprise enters into an agreement under division (D) 32314  
of this section. 32315

(5) "Remediate" means to make expenditures for remedies or 32316  
remedial activities equal to at least ten per cent of the true 32317  
value in money of the land, buildings, improvements, structures, 32318  
and fixtures constituting a facility as determined for purposes 32319  
of property taxation immediately prior to formal approval of an 32320  
agreement under division (D) of this section. 32321

(6) "Occupy" means to make expenditures to alter or repair 32322  
a vacant facility equal to at least twenty per cent of the 32323  
market value of the facility prior to such expenditures, as 32324  
determined for the purposes of local property taxation. 32325

(7) "Vacant facility" means a facility that has been 32326  
vacant for at least ninety days immediately preceding the date 32327  
on which an agreement is entered into under division (D) of this 32328  
section. 32329

(B) The legislative authority of any county or municipal 32330  
corporation within which is located property that is the subject 32331  
of a certification under division (B) of section 5709.87 of the 32332  
Revised Code may enter into an agreement with an enterprise 32333  
under division (D) of this section, provided that the 32334  
legislative authority of a county may enter into such agreements 32335  
with respect only to property located within the unincorporated 32336  
territory of the county. Prior to entering into such an 32337  
agreement, the legislative authority shall petition the director 32338  
of housing and development for the director's confirmation that 32339  
the property is the subject of such a certification, and the 32340  
director, within thirty days after receipt of such a petition, 32341

shall confirm whether such a certification has been issued. The 32342  
petition shall be accompanied by a description of the property 32343  
in the form and manner prescribed by the director. 32344

(C) Any enterprise that wishes to enter into an agreement 32345  
with a legislative authority under division (D) of this section 32346  
shall submit a proposal to the legislative authority on a form 32347  
prescribed by the director of housing and development together 32348  
with the application fee established under section 5709.882 of 32349  
the Revised Code. The form shall require the following 32350  
information: 32351

(1) An estimate of the number of new employees whom the 32352  
enterprise intends to hire, or of the number of employees whom 32353  
the enterprise intends to retain, at a facility that is a 32354  
project site, and an estimate of the amount of payroll of the 32355  
enterprise attributable to these employees; 32356

(2) An estimate of the amount to be invested by the 32357  
enterprise to establish, expand, renovate, or occupy a facility, 32358  
including investment in new buildings, additions or improvements 32359  
to existing buildings, machinery, equipment, furniture, 32360  
fixtures, and inventory; 32361

(3) A listing of the enterprise's current investment, if 32362  
any, in a facility as of the date of the proposal's submission. 32363

The enterprise shall review and update the listings 32364  
required under this division to reflect material changes, and 32365  
any agreement entered into under division (D) of this section 32366  
shall set forth final estimates and listings as of the time the 32367  
agreement is entered into. The legislative authority, on a 32368  
separate form and at any time, may require any additional 32369  
information necessary to determine whether an enterprise is in 32370

compliance with an agreement and to collect the information 32371  
required to be reported under section 5709.882 of the Revised 32372  
Code. 32373

(D) Upon receipt and investigation of a proposal under 32374  
division (C) of this section, if the legislative authority finds 32375  
that the enterprise submitting the proposal is qualified by 32376  
financial responsibility and business experience to create and 32377  
preserve employment opportunities at the project site and 32378  
improve the economic climate of the county or municipal 32379  
corporation, the legislative authority, after complying with 32380  
section 5709.83 of the Revised Code, may enter into, and 32381  
formally shall approve, an agreement with the enterprise under 32382  
which the enterprise agrees to remediate a facility and to spend 32383  
an amount equal to at least two hundred fifty per cent of the 32384  
true value in money of the land, buildings, improvements, 32385  
structures, and fixtures constituting the facility, as 32386  
determined for purposes of property taxation immediately prior 32387  
to formal approval of the agreement, to establish, expand, 32388  
renovate, or occupy a facility and hire new employees, or 32389  
preserve employment opportunities for existing employees, in 32390  
return for one or more of the following incentives: 32391

(1) Exemption for a specified number of years, not to 32392  
exceed ten, of a specified portion, up to one hundred per cent, 32393  
of the assessed value of tangible personal property first used 32394  
in business at the project site as a result of the agreement. An 32395  
exemption granted pursuant to division (D)(1) of this section 32396  
applies to inventory required to be listed pursuant to sections 32397  
5711.15 and 5711.16 of the Revised Code, except that, in the 32398  
instance of an expansion or other situations in which an 32399  
enterprise was in business at the facility prior to the 32400  
effective date of the agreement, the inventory that is exempt is 32401

that amount or value of inventory in excess of the amount or 32402  
value of inventory required to be listed in the personal 32403  
property tax return of the enterprise in the return for the tax 32404  
year in which the agreement is entered into. 32405

(2) Exemption for a specified number of years, not to 32406  
exceed ten, of a specified portion, up to one hundred per cent, 32407  
of the increase, subsequent to formal approval of the agreement 32408  
by the legislative authority, in the assessed valuation of 32409  
buildings, improvements, structures, and fixtures constituting 32410  
the project site; 32411

(3) Provision for a specified number of years, not to 32412  
exceed ten, of any optional services or assistance that the 32413  
county or municipal corporation is authorized to provide with 32414  
regard to the project site. 32415

(E) All agreements entered into under this section shall 32416  
be in the form prescribed under section 5709.881 of the Revised 32417  
Code. 32418

(F) Except as otherwise provided in this division, an 32419  
agreement entered into under this section shall require that the 32420  
enterprise pay an annual fee equal to the greater of one per 32421  
cent of the dollar value of incentives offered under the 32422  
agreement or five hundred dollars, provided that if the value of 32423  
the incentives exceeds two hundred fifty thousand dollars, the 32424  
fee shall not exceed two thousand five hundred dollars. The fee 32425  
shall be payable to the legislative authority once per year for 32426  
each year the agreement is effective on the days and in the form 32427  
specified in the agreement. Fees paid shall be deposited in a 32428  
special fund created for that purpose by the legislative 32429  
authority and shall be used by the legislative authority 32430  
exclusively for the purpose of complying with section 5709.882 32431

of the Revised Code and by the tax incentive review council 32432  
created under section 5709.883 of the Revised Code exclusively 32433  
for the purposes of performing the duties prescribed under that 32434  
section. The legislative authority may waive or reduce the 32435  
amount of the fee charged against an enterprise, but such a 32436  
waiver or reduction does not affect the obligations of the 32437  
legislative authority or the tax incentive review council to 32438  
comply with section 5709.882 or 5709.883 of the Revised Code. 32439

(G) When an agreement is entered into under this section, 32440  
the legislative authority authorizing the agreement shall 32441  
forward a copy of the agreement to the director of housing and 32442  
development and to the tax commissioner within fifteen days 32443  
after the agreement is entered into. 32444

(H) After an agreement is entered into, the enterprise 32445  
shall file with each personal property tax return required to be 32446  
filed while the agreement is in effect, an informational return, 32447  
on a form prescribed by the tax commissioner for that purpose, 32448  
setting forth separately the property, and related costs and 32449  
values, exempted from taxation under the agreement. 32450

(I) The legislative authority may require the owner of 32451  
record to pay the amount of taxes that, during the period 32452  
beginning with the commencement of the exemption and ending with 32453  
the date of revocation of the covenant not to sue under Chapter 32454  
3746. of the Revised Code, would have been charged against the 32455  
property had the property not been exempted from taxation 32456  
pursuant to an agreement entered into under this section. In the 32457  
case of real property, the proper county auditor shall determine 32458  
the taxable value of the property for each of the tax years for 32459  
which the property had been exempted from taxation, and shall 32460  
determine the amount of taxes that would have been charged 32461



against the property had the property been subject to taxation 32462  
each of those years. The county treasurer shall issue a tax bill 32463  
as otherwise required by law, and the taxes shall be payable in 32464  
full on the first succeeding day on which the first one-half of 32465  
taxes is required to be paid under section 323.12 of the Revised 32466  
Code. If such real property taxes are not paid in full when due, 32467  
a penalty shall be charged, and interest shall accrue on those 32468  
taxes, as provided in section 323.121 of the Revised Code. In 32469  
cases of underpayment or nonpayment, the deficiency shall be 32470  
collected as otherwise provided for the collection of delinquent 32471  
real property taxes. 32472

In the case of tangible personal property, the tax 32473  
commissioner shall determine the taxable value of the property 32474  
for each of the tax years for which the property had been 32475  
exempted from taxation on the basis of the informational return 32476  
required to be filed under this section or any further 32477  
assessment necessary to make such a determination, and certify 32478  
that determination to the proper county auditor, who shall add 32479  
the property to the proper tax lists and duplicates. Taxes shall 32480  
be charged against such property at the rates charged for the 32481  
respective years for which taxes are charged under this 32482  
division. The county treasurer shall issue a tax bill as 32483  
otherwise required by law, and the taxes shall be payable on the 32484  
next succeeding date for the payment of current taxes. If the 32485  
taxes are not paid in full when due, a penalty shall be charged, 32486  
and interest shall accrue, as otherwise provided in sections 32487  
5719.03 and 5719.041 of the Revised Code. In cases of 32488  
underpayment or nonpayment, the deficiency shall be collected as 32489  
otherwise provided in Chapter 5719. of the Revised Code. 32490

**Sec. 5709.882.** (A) On or before the thirty-first day of 32491  
March each year, a municipal corporation or county that has 32492

entered into an agreement with an enterprise under section 32493  
5709.88 of the Revised Code shall submit to the directors of 32494  
housing and development services and environmental protection 32495  
and the board of education of each school district of which a 32496  
municipal corporation or county to which such an agreement 32497  
applies is a part a report on all such agreements in effect 32498  
during the preceding calendar year. The report shall include all 32499  
of the following information: 32500

(1) The number of enterprises that are subject to such 32501  
agreements and the number of full-time employees subject to 32502  
those agreements in the county or municipal corporation; 32503

(2) The number of agreements approved and executed during 32504  
the calendar year for which the report is submitted, the total 32505  
number of agreements in effect on the thirty-first day of 32506  
December of the preceding calendar year, the number of 32507  
agreements that expired during the calendar year for which the 32508  
report is submitted, and the number of agreements scheduled to 32509  
expire during the calendar year in which the report is 32510  
submitted. For each agreement that expired during the calendar 32511  
year for which the report is submitted, the municipal 32512  
corporation or county shall include the amount of taxes exempted 32513  
and the estimated dollar value of any other incentives provided 32514  
under the agreement. 32515

(3) The number of agreements receiving compliance reviews 32516  
by the tax incentive review council in the municipal corporation 32517  
or county under section 5709.883 of the Revised Code during the 32518  
calendar year for which the report is submitted, including all 32519  
of the following information: 32520

(a) The number of agreements the terms of which an 32521  
enterprise has complied with, indicating separately for each 32522

such agreement the value of the real and personal property 32523  
exempted pursuant to the agreement and a comparison of the 32524  
stipulated and actual schedules for hiring new employees, for 32525  
retaining existing employees, for the amount of payroll of the 32526  
enterprise attributable to these employees, and for remediating 32527  
and investing in establishing, expanding, renovating, or 32528  
occupying a facility; 32529

(b) The number of agreements the terms of which an 32530  
enterprise has failed to comply with, indicating separately for 32531  
each such agreement the value of the real and personal property 32532  
exempted pursuant to the agreement and a comparison of the 32533  
stipulated and actual schedules for hiring new employees, for 32534  
retaining existing employees, for the amount of payroll of the 32535  
enterprise attributable to these employees, and for remediating 32536  
and investing in establishing, expanding, renovating, or 32537  
occupying a facility; 32538

(c) The number of agreements about which the tax incentive 32539  
review council made recommendations to the legislative authority 32540  
of the municipal corporation or county, and the number of such 32541  
recommendations that have not been followed; 32542

(d) The number of agreements rescinded during the calendar 32543  
year for which the report is submitted. 32544

(4) The number of enterprises that are subject to 32545  
agreements and the number of new employees hired and existing 32546  
employees retained by each such enterprise; 32547

(5) (a) The number of enterprises that are subject to 32548  
agreements and that closed or reduced employment at any place of 32549  
business within the state for the primary purpose of remediating 32550  
and establishing, expanding, renovating, or occupying a 32551

facility, indicating separately for each such enterprise the 32552  
political subdivision in which the enterprise closed or reduced 32553  
employment at a place of business and the number of full-time 32554  
employees transferred and retained by each such place of 32555  
business; 32556

(b) The number of enterprises that are subject to 32557  
agreements and that closed or reduced employment at any place of 32558  
business outside the state for the primary purpose of 32559  
remediating and establishing, expanding, renovating, or 32560  
occupying a facility. 32561

(B) Upon the failure of a municipal corporation or county 32562  
to comply with division (A) of this section, both of the 32563  
following apply: 32564

(1) Beginning on the first day of April of the calendar 32565  
year in which the municipal corporation or county fails to 32566  
comply with that division, the municipal corporation or county 32567  
shall not enter into any agreements with an enterprise under 32568  
section 5709.88 of the Revised Code until the municipal 32569  
corporation or county has complied with division (A) of this 32570  
section; 32571

(2) On the first day of each ensuing calendar month until 32572  
the municipal corporation or county complies with that division, 32573  
the director of housing and development services shall either 32574  
order the proper county auditor to deduct from the next 32575  
succeeding payment of taxes to the municipal corporation or 32576  
county under section 321.31, 321.32, 321.33, or 321.34 of the 32577  
Revised Code an amount equal to five hundred dollars for each 32578  
calendar month the municipal corporation or county fails to 32579  
comply with that division, or order the county auditor to deduct 32580  
such an amount from the next succeeding payment to the municipal 32581

corporation or county from the undivided local government fund 32582  
under section 5747.51 of the Revised Code. At the time such a 32583  
payment is made, the county auditor shall comply with the 32584  
director's order by issuing a warrant, drawn on the fund from 32585  
which such money would have been paid, to the director of 32586  
housing and development~~services~~, who shall deposit the warrant 32587  
into the contaminated sites development program administration 32588  
fund created in division (C) of this section. 32589

(C) The director, by rule, shall establish the state's 32590  
application fee for applications submitted to a municipal 32591  
corporation or county to enter into an agreement under section 32592  
5709.88 of the Revised Code. In establishing the amount of the 32593  
fee, the director shall consider the state's cost of 32594  
administering this section and section 5709.88 of the Revised 32595  
Code. The director may change the amount of the fee at such 32596  
times and in such increments as the director considers 32597  
necessary. Any municipal corporation or county that receives an 32598  
application shall collect the application fee and remit the fee 32599  
for deposit in the state treasury to the credit of the 32600  
contaminated sites development program administration fund, 32601  
which is hereby created. Money credited to the fund shall be 32602  
used by the department of housing and development ~~services~~ 32603  
~~agency~~ to pay the costs of administering this section and 32604  
section 5709.88 of the Revised Code. 32605

**Sec. 5717.02.** (A) Except as otherwise provided by law, 32606  
appeals from final determinations by the tax commissioner of any 32607  
preliminary, amended, or final tax assessments, reassessments, 32608  
valuations, determinations, findings, computations, or orders 32609  
made by the commissioner may be taken to the board of tax 32610  
appeals by the taxpayer, by the person to whom notice of the tax 32611  
assessment, reassessment, valuation, determination, finding, 32612

computation, or order by the commissioner is required by law to 32613  
be given, by the director of budget and management if the 32614  
revenues affected by that decision would accrue primarily to the 32615  
state treasury, or by the county auditors of the counties to the 32616  
undivided general tax funds of which the revenues affected by 32617  
that decision would primarily accrue. Appeals from the 32618  
redetermination by the director of housing and development 32619  
~~services~~ under division (B) of section 5709.64 or division (A) 32620  
of section 5709.66 of the Revised Code may be taken to the board 32621  
of tax appeals by the enterprise to which notice of the 32622  
redetermination is required by law to be given. Appeals from a 32623  
decision of the tax commissioner or county auditor concerning an 32624  
application for a property tax exemption may be taken to the 32625  
board of tax appeals by the applicant or by a school district 32626  
that filed a statement concerning that application under 32627  
division (C) of section 5715.27 of the Revised Code. Appeals 32628  
from a redetermination by the director of job and family 32629  
services under section 5733.42 of the Revised Code may be taken 32630  
by the person to which the notice of the redetermination is 32631  
required by law to be given under that section. 32632

(B) The appeals shall be taken by the filing of a notice 32633  
of appeal with the board, and with the tax commissioner if the 32634  
tax commissioner's action is the subject of the appeal, with the 32635  
county auditor if the county auditor's action is the subject of 32636  
the appeal, with the director of housing and development 32637  
~~services~~ if that director's action is the subject of the appeal, 32638  
or with the director of job and family services if that 32639  
director's action is the subject of the appeal. The notice of 32640  
appeal shall be filed within sixty days after service of the 32641  
notice of the tax assessment, reassessment, valuation, 32642  
determination, finding, computation, or order by the 32643

commissioner, property tax exemption determination by the 32644  
commissioner or the county auditor, or redetermination by the 32645  
director has been given as provided in section 5703.37, 5709.64, 32646  
5709.66, or 5733.42 of the Revised Code. The notice of appeal 32647  
may be filed in person or by certified mail, express mail, 32648  
facsimile transmission, electronic transmission or by authorized 32649  
delivery service. If the notice of appeal is filed by certified 32650  
mail, express mail, or authorized delivery service as provided 32651  
in section 5703.056 of the Revised Code, the date of the United 32652  
States postmark placed on the sender's receipt by the postal 32653  
service or the date of receipt recorded by the authorized 32654  
delivery service shall be treated as the date of filing. If 32655  
notice of appeal is filed by facsimile transmission or 32656  
electronic transmission, the date and time the notice is 32657  
received by the board shall be the date and time reflected on a 32658  
timestamp provided by the board's electronic system, and the 32659  
appeal shall be considered filed with the board on the date 32660  
reflected on that timestamp. Any timestamp provided by another 32661  
computer system or electronic submission device shall not affect 32662  
the time and date the notice is received by the board. The 32663  
notice of appeal shall have attached to it and incorporated in 32664  
it by reference a true copy of the notice sent by the 32665  
commissioner, county auditor, or director to the taxpayer, 32666  
enterprise, or other person of the final determination or 32667  
redetermination complained of, but failure to attach a copy of 32668  
that notice and to incorporate it by reference in the notice of 32669  
appeal does not invalidate the appeal. 32670

(C) A notice of appeal shall contain a short and plain 32671  
statement of the claimed errors in the determination or 32672  
redetermination of the tax commissioner, county auditor, or 32673  
director showing that the appellant is entitled to relief and a 32674

demand for the relief to which the appellant claims to be 32675  
entitled. An appellant may amend the notice of appeal once as a 32676  
matter of course within sixty days after the certification of 32677  
the transcript. Otherwise, an appellant may amend the notice of 32678  
appeal only after receiving leave of the board or the written 32679  
consent of each adverse party. Leave of the board shall be 32680  
freely given when justice so requires. 32681

(D) Upon the filing of a notice of appeal, the tax 32682  
commissioner, county auditor, or the director, as appropriate, 32683  
shall certify to the board a transcript of the record of the 32684  
proceedings before the commissioner, auditor, or director, 32685  
together with all evidence considered by the commissioner, 32686  
auditor, or director in connection with the proceedings. Those 32687  
appeals or applications may be heard by the board at its office 32688  
in Columbus or in the county where the appellant resides, or it 32689  
may cause its examiners to conduct the hearings and to report to 32690  
it their findings for affirmation or rejection. 32691

(E) The board may order the appeal to be heard upon the 32692  
record and the evidence certified to it by the commissioner, 32693  
county auditor, or director, but upon the application of any 32694  
interested party the board shall order the hearing of additional 32695  
evidence, and it may make an investigation concerning the appeal 32696  
that it considers proper. An appeal may proceed pursuant to 32697  
section 5703.021 of the Revised Code on the small claims docket 32698  
if the appeal qualifies under that section. 32699

**Sec. 5725.32.** Upon the issuance of a tax credit 32700  
certificate by the director of housing and development, a 32701  
refundable credit granted by the tax credit authority under 32702  
section 122.17 of the Revised Code may be claimed against the 32703  
tax imposed by section 5725.18 of the Revised Code. The credit 32704



shall be claimed in the calendar year specified in the 32705  
certificate issued by the director of housing and development. 32706

**Sec. 5725.33.** (A) Except as otherwise provided in this 32707  
section, terms used in this section have the same meaning as 32708  
section 45D of the Internal Revenue Code, any related proposed, 32709  
temporary, or final regulations promulgated under the Internal 32710  
Revenue Code, any rules or guidance of the internal revenue 32711  
service or the United States department of the treasury, and any 32712  
related rules or guidance issued by the community development 32713  
financial institutions fund of the United States department of 32714  
the treasury, as such law, regulations, rules, and guidance 32715  
exist on October 16, 2009. 32716

As used in this section: 32717

(1) "Adjusted purchase price" means the amount paid for 32718  
the portion of a qualified equity investment approved or 32719  
certified by the director of housing and development services— 32720  
for a qualified community development entity in accordance with 32721  
rules adopted under division (E) of this section. 32722

(2) "Applicable percentage" means zero per cent for each 32723  
of the first two credit allowance dates, seven per cent for the 32724  
third credit allowance date, and eight per cent for the four 32725  
following credit allowance dates. 32726

(3) "Credit allowance date" means the date, on or after 32727  
January 1, 2010, a qualified equity investment is made and each 32728  
of the six anniversary dates thereafter. For qualified equity 32729  
investments made after October 16, 2009, but before January 1, 32730  
2010, the initial credit allowance date is January 1, 2010, and 32731  
each of the six anniversary dates thereafter is on the first day 32732  
of January of each year. 32733

(4) "Qualified community development entity" includes only entities: 32734  
32735

(a) That have entered into an allocation agreement with the community development financial institutions fund of the United States department of the treasury with respect to credits authorized by section 45D of the Internal Revenue Code; 32736  
32737  
32738  
32739

(b) Whose service area includes any portion of this state; and 32740  
32741

(c) That will designate an equity investment in such entities as a qualified equity investment for purposes of both section 45D of the Internal Revenue Code and this section. 32742  
32743  
32744

(5) "Qualified equity investment" is limited to an equity investment in a qualified community development entity that: 32745  
32746

(a) Is acquired after October 16, 2009, at its original issuance solely in exchange for cash; 32747  
32748

(b) Has at least eighty-five per cent of its cash purchase price used by the qualified community development entity to make qualified low-income community investments in qualified active low-income community businesses in this state, provided that in the seventh year after a qualified equity investment is made, only seventy-five per cent of such cash purchase price must be used by the qualified community development entity to make qualified low-income community investments in those businesses; and 32749  
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32751  
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(c) Is designated by the issuer as a qualified equity investment. 32758  
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"Qualified equity investment" includes any equity investment that would, but for division (A) (5) (a) of this 32760  
32761

section, be a qualified equity investment in the hands of the 32762  
taxpayer if such investment was a qualified equity investment in 32763  
the hands of a prior holder. 32764

(B) There is hereby allowed a nonrefundable credit against 32765  
the tax imposed by section 5725.18 of the Revised Code for an 32766  
insurance company holding a qualified equity investment on the 32767  
credit allowance date occurring in the calendar year for which 32768  
the tax is due. The credit shall equal the applicable percentage 32769  
of the adjusted purchase price, subject to divisions (B)(1) and 32770  
(2) of this section: 32771

(1) For the purpose of calculating the amount of qualified 32772  
low-income community investments held by a qualified community 32773  
development entity, an investment shall be considered held by a 32774  
qualified community development entity even if the investment 32775  
has been sold or repaid, provided that, at any time before the 32776  
seventh anniversary of the issuance of the qualified equity 32777  
investment, the qualified community development entity reinvests 32778  
an amount equal to the capital returned to or received or 32779  
recovered by the qualified community development entity from the 32780  
original investment, exclusive of any profits realized and costs 32781  
incurred in the sale or repayment, in another qualified low- 32782  
income community investment in this state within twelve months 32783  
of the receipt of such capital. If the qualified low-income 32784  
community investment is sold or repaid after the sixth 32785  
anniversary of the issuance of the qualified equity investment, 32786  
the qualified low-income community investment shall be 32787  
considered held by the qualified community development entity 32788  
through the seventh anniversary of the qualified equity 32789  
investment's issuance. 32790

(2) The qualified low-income community investment made in 32791

this state shall equal the sum of the qualified low-income 32792  
community investments in each qualified active low-income 32793  
community business in this state, not to exceed two million five 32794  
hundred sixty-four thousand dollars, in which the qualified 32795  
community development entity invests, including such investments 32796  
in any such businesses in this state related to that qualified 32797  
active low-income community business through majority ownership 32798  
or control. 32799

The credit shall be claimed in the order prescribed by 32800  
section 5725.98 of the Revised Code. If the amount of the credit 32801  
exceeds the amount of tax otherwise due after deducting all 32802  
other credits in that order, the excess may be carried forward 32803  
and applied to the tax due for not more than four ensuing years. 32804

By claiming a tax credit under this section, an insurance 32805  
company waives its rights under section 5725.222 of the Revised 32806  
Code with respect to the time limitation for the assessment of 32807  
taxes as it relates to credits claimed that later become subject 32808  
to recapture under division (E) of this section. 32809

(C) The aggregate amount of credit allocations made by the 32810  
director of housing and development services under this section 32811  
and sections 5726.54, 5729.16, and 5733.58 of the Revised Code 32812  
each fiscal year shall not exceed ten million dollars. 32813

(D) If any amount of the federal tax credit allowed for a 32814  
qualified equity investment for which a credit was received 32815  
under this section is recaptured under section 45D of the 32816  
Internal Revenue Code, or if the director of housing and 32817  
development services determines that an investment for which a 32818  
tax credit is claimed under this section is not a qualified 32819  
equity investment or that the proceeds of an investment for 32820  
which a tax credit is claimed under this section are used to 32821

make qualified low-income community investments other than in a 32822  
qualified active low-income community business in this state, 32823  
all or a portion of the credit received on account of that 32824  
investment shall be paid by the insurance company that received 32825  
the credit to the superintendent of insurance. The amount to be 32826  
recovered shall be determined by the director of housing and 32827  
~~development services~~ pursuant to rules adopted under division 32828  
(E) of this section. The director shall certify any amount due 32829  
under this division to the superintendent of insurance, and the 32830  
superintendent shall notify the treasurer of state of the amount 32831  
due. Upon notification, the treasurer shall invoice the 32832  
insurance company for the amount due. The amount due is payable 32833  
not later than thirty days after the date the treasurer invoices 32834  
the insurance company. The amount due shall be considered to be 32835  
tax due under section 5725.18 of the Revised Code, and may be 32836  
collected by assessment without regard to the time limitations 32837  
imposed under section 5725.222 of the Revised Code for the 32838  
assessment of taxes by the superintendent. All amounts collected 32839  
under this division shall be credited as revenue from the tax 32840  
levied under section 5725.18 of the Revised Code. 32841

(E) The tax credits authorized under this section and 32842  
sections 5726.54, 5729.16, and 5733.58 of the Revised Code shall 32843  
be administered by the department of housing and development 32844  
~~services agency~~. The director of housing and development 32845  
~~services~~, in consultation with the tax commissioner and the 32846  
superintendent of insurance, pursuant to Chapter 119. of the 32847  
Revised Code, shall adopt rules for the administration of this 32848  
section and sections 5726.54, 5729.16, and 5733.58 of the 32849  
Revised Code. The rules shall provide for determining the 32850  
recovery of credits under division (D) of this section and under 32851  
sections 5726.54, 5729.16, and 5733.58 of the Revised Code, 32852

including prorating the amount of the credit to be recovered on 32853  
any reasonable basis, the manner in which credits may be 32854  
allocated among claimants, and the amount of any application or 32855  
other fees to be charged in connection with a recovery. 32856

(F) The director of housing and development ~~services~~ is 32857  
authorized to charge reasonable application and other fees in 32858  
connection with the administration of tax credits authorized by 32859  
this section and sections 5726.54, 5729.16, and 5733.58 of the 32860  
Revised Code. Any such fees collected shall be credited to the 32861  
tax incentives operating fund created in section 122.174 of the 32862  
Revised Code. 32863

(G) Tax credits earned or allocated to a pass-through 32864  
entity, as that term is defined in section 5733.04 of the 32865  
Revised Code, under section 5725.33, 5726.54, 5729.16, or 32866  
5733.58 of the Revised Code may be allocated to persons having a 32867  
direct or indirect ownership interest in the pass-through entity 32868  
for such persons' direct use in accordance with the provisions 32869  
of any mutual agreement between such persons. 32870

**Sec. 5726.54.** (A) Any term used in this section has the 32871  
same meaning as in section 5725.33 of the Revised Code. 32872

(B) A taxpayer may claim a nonrefundable credit against 32873  
the tax imposed by this chapter for each person included in the 32874  
annual report of the taxpayer that holds a qualified equity 32875  
investment on a credit allowance date occurring in the calendar 32876  
year immediately preceding the tax year for which the tax is 32877  
due. The credit shall be computed in the same manner prescribed 32878  
for the computation of credits allowed under section 5725.33 of 32879  
the Revised Code. 32880

By claiming a tax credit under this section, a taxpayer 32881

waives its rights under section 5726.20 of the Revised Code with 32882  
respect to the time limitation for the assessment of taxes as it 32883  
relates to credits claimed under this section that later become 32884  
subject to recapture under division (D) of this section. 32885

A taxpayer may claim against the tax imposed by this 32886  
chapter any unused portion of the credits authorized under 32887  
sections 5725.33 and 5733.58 of the Revised Code, but only to 32888  
the extent of the remaining carry forward period authorized by 32889  
those sections. 32890

The credit shall be claimed in the order prescribed by 32891  
section 5726.98 of the Revised Code. If the amount of the credit 32892  
exceeds the amount of tax otherwise due after deducting all 32893  
other credits preceding the credit in the order prescribed in 32894  
section 5726.98 of the Revised Code, the excess may be carried 32895  
forward for not more than four ensuing tax years. 32896

(C) The total amount of qualified equity investments on 32897  
the basis of which credits may be claimed under this section and 32898  
sections 5725.33, 5729.16, and 5733.58 of the Revised Code is 32899  
subject to the limitation of division (C) of section 5725.33 of 32900  
the Revised Code. 32901

(D) If any amount of a federal tax credit allowed for a 32902  
qualified equity investment for which a credit was received 32903  
under this section is recaptured under section 45D of the 32904  
Internal Revenue Code, or if the director of housing and 32905  
development ~~services~~ determines that an investment for which a 32906  
tax credit is claimed under this section is not a qualified 32907  
equity investment or that the proceeds of an investment for 32908  
which a tax credit is claimed under this section are used to 32909  
make qualified low-income community investments other than in a 32910  
qualified active low-income community business in this state, 32911

all or a portion of the credit received on account of that 32912  
investment shall be paid by the taxpayer that received the 32913  
credit to the tax commissioner. The amount to be recovered shall 32914  
be determined by the director pursuant to rules adopted under 32915  
section 5725.33 of the Revised Code. The director shall certify 32916  
any amount due under this division to the tax commissioner, and 32917  
the commissioner shall notify the taxpayer of the amount due. 32918  
The amount due is payable not later than thirty days after the 32919  
day the commissioner issues the notice. The amount due shall be 32920  
considered to be tax due under section 5726.02 of the Revised 32921  
Code, and may be collected by assessment without regard to the 32922  
limitations imposed under section 5726.20 of the Revised Code 32923  
for the assessment of taxes by the commissioner. All amounts 32924  
collected under this division shall be credited as revenue from 32925  
the tax levied under section 5726.02 of the Revised Code. 32926

**Sec. 5726.55.** (A) Any term used in this section has the 32927  
same meaning as in section 122.85 of the Revised Code. 32928

(B) A taxpayer may claim a refundable credit against the 32929  
tax imposed under this chapter for each person included in the 32930  
annual report of the taxpayer that is a certificate owner of a 32931  
tax credit certificate issued under section 122.85 of the 32932  
Revised Code. The credit shall be claimed for the taxable year 32933  
in which the certificate is issued by the director of housing 32934  
and development~~services~~. The credit amount equals the amount 32935  
stated in the certificate. The credit shall be claimed in the 32936  
order required under section 5726.98 of the Revised Code. If the 32937  
credit amount exceeds the tax otherwise due under section 32938  
5726.02 of the Revised Code after deducting all other credits 32939  
preceding the credit in the order prescribed in section 5726.98 32940  
of the Revised Code, the excess shall be refunded to the 32941  
taxpayer. 32942



(C) Nothing in this section shall allow a taxpayer to 32943  
claim more than one credit per tax credit-eligible production. 32944

**Sec. 5726.59.** (A) Any term used in this section has the 32945  
same meaning as in section 122.852 of the Revised Code. 32946

(B) A taxpayer may claim a refundable credit against the 32947  
tax imposed under this chapter for each person included in the 32948  
annual report of the taxpayer that is a certificate owner of a 32949  
tax credit certificate issued under section 122.852 of the 32950  
Revised Code. The credit shall be claimed for the taxable year 32951  
in which the certificate is issued by the director of housing 32952  
and development. The credit amount equals the amount stated on 32953  
the certificate or the portion of that amount owned by the 32954  
certificate owner. The credit shall be claimed in the order 32955  
required under section 5726.98 of the Revised Code. If the 32956  
credit amount exceeds the tax otherwise due under section 32957  
5726.02 of the Revised Code after deducting all other credits 32958  
preceding the credit in the order prescribed in section 5726.98 32959  
of the Revised Code, the excess shall be refunded to the 32960  
taxpayer. 32961

**Sec. 5727.75.** (A) For purposes of this section: 32962

(1) "Qualified energy project" means an energy project 32963  
certified by the director of housing and development pursuant to 32964  
this section. 32965

(2) "Energy project" means a project to provide electric 32966  
power through the construction, installation, and use of an 32967  
energy facility. 32968

(3) "Alternative energy zone" means a county declared as 32969  
such by the board of county commissioners under division (E) (1) 32970  
(b) or (c) of this section. 32971

(4) "Full-time equivalent employee" means the total number of employee-hours for which compensation was paid to individuals employed at a qualified energy project for services performed at the project during the calendar year divided by two thousand eighty hours. For the purpose of this calculation, "performed at the project" includes only hours worked at the qualified energy project and devoted to site preparation or protection, construction and installation, and the unloading and distribution of materials at the project site, but does not include hours worked by superintendents, owners, manufacturers' representatives, persons employed in a bona fide executive, management, supervisory, or administrative capacity, or persons whose sole employment on the project is transporting materials or persons to the project site.

(5) "Solar energy project" means an energy project composed of an energy facility using solar panels to generate electricity.

(6) "Internet identifier of record" has the same meaning as in section 9.312 of the Revised Code.

(7) "Applicable year" means the later of the following:

(a) The tax year in which the secretary of the treasury of the United States, or the secretary's delegate, determines, in accordance with section 45Y of the Internal Revenue Code, that the annual greenhouse gas emissions from the production of electricity in the United States are equal to or less than twenty-five per cent of the annual greenhouse gas emissions from the production of electricity in the United States for calendar year 2022;

(b) Tax year 2029.

(8) "Internal Revenue Code" means the Internal Revenue Code as of ~~the effective date of this amendment~~ October 3, 2023. 33001  
33002

(B) (1) Tangible personal property of a qualified energy project using renewable energy resources is exempt from taxation for tax years 2011 through the applicable year if all of the following conditions are satisfied: 33003  
33004  
33005  
33006

(a) On or before the last day of the tax year preceding the applicable year, the owner or a lessee pursuant to a sale and leaseback transaction of the project submits an application to the power siting board for a certificate under section 4906.20 of the Revised Code, or if that section does not apply, submits an application for any approval, consent, permit, or certificate or satisfies any condition required by a public agency or political subdivision of this state for the construction or initial operation of an energy project. 33007  
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(b) Construction or installation of the energy facility begins on or after January 1, 2009, and before the first day of the applicable year. For the purposes of this division, construction begins on the earlier of the date of application for a certificate or other approval or permit described in division (B) (1) (a) of this section, or the date the contract for the construction or installation of the energy facility is entered into. 33016  
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(c) For a qualified energy project with a nameplate capacity of twenty megawatts or greater, a board of county commissioners of a county in which property of the project is located has adopted a resolution under division (E) (1) (b) or (c) of this section to approve the application submitted under division (E) of this section to exempt the property located in that county from taxation. A board's adoption of a resolution 33024  
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rejecting an application or its failure to adopt a resolution 33031  
approving the application does not affect the tax-exempt status 33032  
of the qualified energy project's property that is located in 33033  
another county. 33034

(2) If tangible personal property of a qualified energy 33035  
project using renewable energy resources was exempt from 33036  
taxation under this section beginning in any of tax years 2011 33037  
through the applicable year, and the certification under 33038  
division (E) (2) of this section has not been revoked, the 33039  
tangible personal property of the qualified energy project is 33040  
exempt from taxation for the tax year following the applicable 33041  
year and all ensuing tax years if the property was placed into 33042  
service before the first day of the tax year following the 33043  
applicable year, as certified in the construction progress 33044  
report required under division (F) (2) of this section. Tangible 33045  
personal property that has not been placed into service before 33046  
that date is taxable property subject to taxation. An energy 33047  
project for which certification has been revoked is ineligible 33048  
for further exemption under this section. Revocation does not 33049  
affect the tax-exempt status of the project's tangible personal 33050  
property for the tax year in which revocation occurs or any 33051  
prior tax year. 33052

(C) Tangible personal property of a qualified energy 33053  
project using clean coal technology, advanced nuclear 33054  
technology, or cogeneration technology is exempt from taxation 33055  
for the first tax year that the property would be listed for 33056  
taxation and all subsequent years if all of the following 33057  
circumstances are met: 33058

(1) The property was placed into service before January 1, 33059  
2021. Tangible personal property that has not been placed into 33060

service before that date is taxable property subject to 33061  
taxation. 33062

(2) For such a qualified energy project with a nameplate 33063  
capacity of twenty megawatts or greater, a board of county 33064  
commissioners of a county in which property of the qualified 33065  
energy project is located has adopted a resolution under 33066  
division (E) (1) (b) or (c) of this section to approve the 33067  
application submitted under division (E) of this section to 33068  
exempt the property located in that county from taxation. A 33069  
board's adoption of a resolution rejecting the application or 33070  
its failure to adopt a resolution approving the application does 33071  
not affect the tax-exempt status of the qualified energy 33072  
project's property that is located in another county. 33073

(3) The certification for the qualified energy project 33074  
issued under division (E) (2) of this section has not been 33075  
revoked. An energy project for which certification has been 33076  
revoked is ineligible for exemption under this section. 33077  
Revocation does not affect the tax-exempt status of the 33078  
project's tangible personal property for the tax year in which 33079  
revocation occurs or any prior tax year. 33080

(D) Except as otherwise provided in this section, real 33081  
property of a qualified energy project is exempt from taxation 33082  
for any tax year for which the tangible personal property of the 33083  
qualified energy project is exempted under this section. 33084

(E) (1) (a) A person may apply to the director of housing 33085  
and development for certification of an energy project as a 33086  
qualified energy project on or before the following dates: 33087

(i) The last day of the tax year preceding the applicable 33088  
year, for an energy project using renewable energy resources; 33089

(ii) December 31, 2017, for an energy project using clean 33090  
coal technology, advanced nuclear technology, or cogeneration 33091  
technology. 33092

(b) The director shall forward a copy of each application 33093  
for certification of an energy project with a nameplate capacity 33094  
of twenty megawatts or greater to the board of county 33095  
commissioners of each county in which the project is located and 33096  
to each taxing unit with territory located in each of the 33097  
affected counties. Any board that receives from the director a 33098  
copy of an application submitted under this division shall adopt 33099  
a resolution approving or rejecting the application unless it 33100  
has adopted a resolution under division (E) (1) (c) of this 33101  
section. A resolution adopted under division (E) (1) (b) or (c) of 33102  
this section may require an annual service payment to be made in 33103  
addition to the service payment required under division (G) of 33104  
this section. The sum of the service payment required in the 33105  
resolution and the service payment required under division (G) 33106  
of this section shall not exceed nine thousand dollars per 33107  
megawatt of nameplate capacity located in the county. The 33108  
resolution shall specify the time and manner in which the 33109  
payments required by the resolution shall be paid to the county 33110  
treasurer. The county treasurer shall deposit the payment to the 33111  
credit of the county's general fund to be used for any purpose 33112  
for which money credited to that fund may be used. 33113

The board shall send copies of the resolution to the owner 33114  
of the facility and the director by certified mail or, if the 33115  
board has record of an internet identifier of record associated 33116  
with the owner or director, by ordinary mail and by that 33117  
internet identifier of record. The board shall send such notice 33118  
within thirty days after receipt of the application, or a longer 33119  
period of time if authorized by the director. 33120

(c) A board of county commissioners may adopt a resolution 33121  
declaring the county to be an alternative energy zone and 33122  
declaring all applications submitted to the director of housing 33123  
and development under this division after the adoption of the 33124  
resolution, and prior to its repeal, to be approved by the 33125  
board. 33126

All tangible personal property and real property of an 33127  
energy project with a nameplate capacity of twenty megawatts or 33128  
greater is taxable if it is located in a county in which the 33129  
board of county commissioners adopted a resolution rejecting the 33130  
application submitted under this division or failed to adopt a 33131  
resolution approving the application under division (E) (1) (b) or 33132  
(c) of this section. 33133

(2) The director shall certify an energy project if all of 33134  
the following circumstances exist: 33135

(a) The application was timely submitted. 33136

(b) For an energy project with a nameplate capacity of 33137  
twenty megawatts or greater, a board of county commissioners of 33138  
at least one county in which the project is located has adopted 33139  
a resolution approving the application under division (E) (1) (b) 33140  
or (c) of this section. 33141

(c) No portion of the project's facility was used to 33142  
supply electricity before December 31, 2009. 33143

(d) For construction or installation of a qualified energy 33144  
project described in division (B) (1) (b) of this section, that 33145  
the project is subject to wage requirements described in section 33146  
45(b) (7) (A) of the Internal Revenue Code and apprenticeship 33147  
requirements described in section 45(b) (8) (A) (i) of the Internal 33148  
Revenue Code, provided both of the following apply: 33149

(i) The person applies for such certificate after ~~the~~ 33150  
~~effective date of this amendment~~ October 3, 2023. 33151

(ii) A board of commissioners of at least one county in 33152  
which the project is located is required to adopt a resolution 33153  
approving the application under division (E) (1) (b) or (c) of 33154  
this section. 33155

(3) The director shall deny a certification application if 33156  
the director determines the person has failed to comply with any 33157  
requirement under this section. The director may revoke a 33158  
certification if the director determines the person, or 33159  
subsequent owner or lessee pursuant to a sale and leaseback 33160  
transaction of the qualified energy project, has failed to 33161  
comply with any requirement under this section. Upon 33162  
certification or revocation, the director shall notify the 33163  
person, owner, or lessee, the tax commissioner, and the county 33164  
auditor of a county in which the project is located of the 33165  
certification or revocation. Notice shall be provided in a 33166  
manner convenient to the director. 33167

(F) The owner or a lessee pursuant to a sale and leaseback 33168  
transaction of a qualified energy project shall do each of the 33169  
following: 33170

(1) Comply with all applicable regulations; 33171

(2) File with the director of housing and development a 33172  
certified construction progress report before the first day of 33173  
March of each year during the energy facility's construction or 33174  
installation indicating the percentage of the project completed, 33175  
and the project's nameplate capacity, as of the preceding 33176  
thirty-first day of December. Unless otherwise instructed by the 33177  
director of housing and development, the owner or lessee of an 33178



energy project shall file a report with the director on or 33179  
before the first day of March each year after completion of the 33180  
energy facility's construction or installation indicating the 33181  
project's nameplate capacity as of the preceding thirty-first 33182  
day of December. Not later than sixty days after June 17, 2010, 33183  
the owner or lessee of an energy project, the construction of 33184  
which was completed before June 17, 2010, shall file a 33185  
certificate indicating the project's nameplate capacity. 33186

(3) File with the director of housing and development, in 33187  
a manner prescribed by the director, a report of the total 33188  
number of full-time equivalent employees, and the total number 33189  
of full-time equivalent employees domiciled in Ohio, who are 33190  
employed in the construction or installation of the energy 33191  
facility; 33192

(4) For energy projects with a nameplate capacity of 33193  
twenty megawatts or greater, repair all roads, bridges, and 33194  
culverts affected by construction as reasonably required to 33195  
restore them to their preconstruction condition, as determined 33196  
by the county engineer in consultation with the local 33197  
jurisdiction responsible for the roads, bridges, and culverts. 33198  
In the event that the county engineer deems any road, bridge, or 33199  
culvert to be inadequate to support the construction or 33200  
decommissioning of the energy facility, the road, bridge, or 33201  
culvert shall be rebuilt or reinforced to the specifications 33202  
established by the county engineer prior to the construction or 33203  
decommissioning of the facility. The owner or lessee of the 33204  
facility shall post a bond in an amount established by the 33205  
county engineer and to be held by the board of county 33206  
commissioners to ensure funding for repairs of roads, bridges, 33207  
and culverts affected during the construction. The bond shall be 33208  
released by the board not later than one year after the date the 33209

repairs are completed. The energy facility owner or lessee 33210  
pursuant to a sale and leaseback transaction shall post a bond, 33211  
as may be required by the Ohio power siting board in the 33212  
certificate authorizing commencement of construction issued 33213  
pursuant to section 4906.10 of the Revised Code, to ensure 33214  
funding for repairs to roads, bridges, and culverts resulting 33215  
from decommissioning of the facility. The energy facility owner 33216  
or lessee and the county engineer may enter into an agreement 33217  
regarding specific transportation plans, reinforcements, 33218  
modifications, use and repair of roads, financial security to be 33219  
provided, and any other relevant issue. 33220

(5) Provide or facilitate training for fire and emergency 33221  
responders for response to emergency situations related to the 33222  
energy project and, for energy projects with a nameplate 33223  
capacity of twenty megawatts or greater, at the person's 33224  
expense, equip the fire and emergency responders with proper 33225  
equipment as reasonably required to enable them to respond to 33226  
such emergency situations; 33227

(6) (a) Except as otherwise provided in this division, for 33228  
projects for which certification as a qualified energy project 33229  
was applied for, under division (E) of this section, before ~~the~~ 33230  
~~effective date of this amendment~~ October 3, 2023, maintain a 33231  
ratio of Ohio-domiciled full-time equivalent employees employed 33232  
in the construction or installation of the energy project to 33233  
total full-time equivalent employees employed in the 33234  
construction or installation of the energy project of not less 33235  
than eighty per cent in the case of a solar energy project, and 33236  
not less than fifty per cent in the case of any other energy 33237  
project. A person applying for such a qualified energy project 33238  
may certify to the director of housing and development that the 33239  
project will be voluntarily subject to the wage requirements 33240

described in section 45(b)(7)(A) of the Internal Revenue Code 33241  
and apprenticeship requirements described in section 45(b)(8)(A) 33242  
(i) of the Internal Revenue Code as authorized in division (F) 33243  
(6)(b) of this section. Upon receipt of that certification, the 33244  
project shall comply with division (F)(6)(b) of this section 33245  
rather than division (F)(6)(a) of this section. 33246

(b) For projects for which certification as a qualified 33247  
energy project was applied for, under division (E) of this 33248  
section, on or after ~~the effective date of this amendment~~ 33249  
October 3, 2023, maintain a ratio of Ohio-domiciled full-time 33250  
equivalent employees employed in the construction or 33251  
installation of the energy project to total full-time equivalent 33252  
employees employed in the construction or installation of the 33253  
energy project of not less than seventy per cent in the case of 33254  
a solar energy project, and not less than fifty per cent in the 33255  
case of any other energy project. 33256

(c) For purposes of divisions (F)(6)(a) and (b) of this 33257  
section, in the case of an energy project for which 33258  
certification from the power siting board is required under 33259  
section 4906.20 of the Revised Code, the number of full-time 33260  
equivalent employees employed in the construction or 33261  
installation of the energy project equals the number actually 33262  
employed or the number projected to be employed in the 33263  
certificate application, if such projection is required under 33264  
regulations adopted pursuant to section 4906.03 of the Revised 33265  
Code, whichever is greater. For all other energy projects, the 33266  
number of full-time equivalent employees employed in the 33267  
construction or installation of the energy project equals the 33268  
number actually employed or the number projected to be employed 33269  
by the director of housing and development, whichever is 33270  
greater. To estimate the number of employees to be employed in 33271

the construction or installation of an energy project, the 33272  
director shall use a generally accepted job-estimating model in 33273  
use for renewable energy projects, including but not limited to 33274  
the job and economic development impact model. The director may 33275  
adjust an estimate produced by a model to account for variables 33276  
not accounted for by the model. 33277

(7) For energy projects with a nameplate capacity in 33278  
excess of twenty megawatts, establish a relationship with any of 33279  
the following to educate and train individuals for careers in 33280  
the wind or solar energy industry: 33281

(a) A member of the university system of Ohio as defined 33282  
in section 3345.011 of the Revised Code; 33283

(b) A person offering an apprenticeship program registered 33284  
with the employment and training administration within the 33285  
United States department of labor or with the apprenticeship 33286  
council created by section 4139.02 of the Revised Code; 33287

(c) A career-technical center, joint vocational school 33288  
district, comprehensive career-technical center, or compact 33289  
career-technical center; 33290

(d) A training center operated by a labor organization, or 33291  
with a training center operated by a for-profit or nonprofit 33292  
organization. 33293

The relationship may include endowments, cooperative 33294  
programs, internships, apprenticeships, research and development 33295  
projects, and curriculum development. 33296

(8) Offer to sell power or renewable energy credits from 33297  
the energy project to electric distribution utilities or 33298  
electric service companies subject to renewable energy resource 33299  
requirements under section 4928.64 of the Revised Code that have 33300

issued requests for proposal for such power or renewable energy 33301  
credits. If no electric distribution utility or electric service 33302  
company issues a request for proposal on or before December 31, 33303  
2010, or accepts an offer for power or renewable energy credits 33304  
within forty-five days after the offer is submitted, power or 33305  
renewable energy credits from the energy project may be sold to 33306  
other persons. Division (F)(8) of this section does not apply 33307  
if: 33308

(a) The owner or lessee is a rural electric company or a 33309  
municipal power agency as defined in section 3734.058 of the 33310  
Revised Code. 33311

(b) The owner or lessee is a person that, before 33312  
completion of the energy project, contracted for the sale of 33313  
power or renewable energy credits with a rural electric company 33314  
or a municipal power agency. 33315

(c) The owner or lessee contracts for the sale of power or 33316  
renewable energy credits from the energy project before June 17, 33317  
2010. 33318

(9) Make annual service payments as required by division 33319  
(G) of this section and as may be required in a resolution 33320  
adopted by a board of county commissioners under division (E) of 33321  
this section. 33322

(G) The owner or a lessee pursuant to a sale and leaseback 33323  
transaction of a qualified energy project shall make annual 33324  
service payments in lieu of taxes to the county treasurer on or 33325  
before the final dates for payments of taxes on public utility 33326  
personal property on the real and public utility personal 33327  
property tax list for each tax year for which property of the 33328  
energy project is exempt from taxation under this section. The 33329

county treasurer shall allocate the payment on the basis of the 33330  
project's physical location. Upon receipt of a payment, or if 33331  
timely payment has not been received, the county treasurer shall 33332  
certify such receipt or non-receipt to the director of housing 33333  
and development and tax commissioner in a form determined by the 33334  
director and commissioner, respectively. Each payment shall be 33335  
in the following amount: 33336

(1) In the case of a solar energy project, seven thousand 33337  
dollars per megawatt of nameplate capacity located in the county 33338  
as of the thirty-first-day of December of the preceding tax 33339  
year; 33340

(2) In the case of any other energy project using 33341  
renewable energy resources, the following: 33342

(a) If the project maintains during the construction or 33343  
installation of the energy facility a ratio of Ohio-domiciled 33344  
full-time equivalent employees to total full-time equivalent 33345  
employees of not less than seventy-five per cent, six thousand 33346  
dollars per megawatt of nameplate capacity located in the county 33347  
as of the thirty-first day of December of the preceding tax 33348  
year; 33349

(b) If the project maintains during the construction or 33350  
installation of the energy facility a ratio of Ohio-domiciled 33351  
full-time equivalent employees to total full-time equivalent 33352  
employees of less than seventy-five per cent but not less than 33353  
sixty per cent, seven thousand dollars per megawatt of nameplate 33354  
capacity located in the county as of the thirty-first day of 33355  
December of the preceding tax year; 33356

(c) If the project maintains during the construction or 33357  
installation of the energy facility a ratio of Ohio-domiciled 33358

full-time equivalent employees to total full-time equivalent 33359  
employees of less than sixty per cent but not less than fifty 33360  
per cent, eight thousand dollars per megawatt of nameplate 33361  
capacity located in the county as of the thirty-first day of 33362  
December of the preceding tax year. 33363

(3) In the case of an energy project using clean coal 33364  
technology, advanced nuclear technology, or cogeneration 33365  
technology, the following: 33366

(a) If the project maintains during the construction or 33367  
installation of the energy facility a ratio of Ohio-domiciled 33368  
full-time equivalent employees to total full-time equivalent 33369  
employees of not less than seventy-five per cent, six thousand 33370  
dollars per megawatt of nameplate capacity located in the county 33371  
as of the thirty-first day of December of the preceding tax 33372  
year; 33373

(b) If the project maintains during the construction or 33374  
installation of the energy facility a ratio of Ohio-domiciled 33375  
full-time equivalent employees to total full-time equivalent 33376  
employees of less than seventy-five per cent but not less than 33377  
sixty per cent, seven thousand dollars per megawatt of nameplate 33378  
capacity located in the county as of the thirty-first day of 33379  
December of the preceding tax year; 33380

(c) If the project maintains during the construction or 33381  
installation of the energy facility a ratio of Ohio-domiciled 33382  
full-time equivalent employees to total full-time equivalent 33383  
employees of less than sixty per cent but not less than fifty 33384  
per cent, eight thousand dollars per megawatt of nameplate 33385  
capacity located in the county as of the thirty-first day of 33386  
December of the preceding tax year. 33387

(H) The director of housing and development in 33388  
consultation with the tax commissioner shall adopt rules 33389  
pursuant to Chapter 119. of the Revised Code to implement and 33390  
enforce this section. 33391

**Sec. 5729.032.** Upon the issuance of a tax credit 33392  
certificate by the director of housing and development, a 33393  
refundable credit granted by the tax credit authority under 33394  
section 122.17 of the Revised Code may be claimed against the 33395  
tax imposed by section 5729.03 of the Revised Code. The credit 33396  
shall be claimed in the calendar year specified in the 33397  
certificate issued by the director of housing and development. 33398

**Sec. 5729.16.** (A) Terms used in this section have the same 33399  
meaning as in section 5725.33 of the Revised Code. 33400

(B) There is hereby allowed a nonrefundable credit against 33401  
the tax imposed by section 5729.03 or 5729.06 of the Revised 33402  
Code for a foreign insurance company holding a qualified equity 33403  
investment on the credit allowance date occurring in the 33404  
calendar year for which the tax is due. The credit shall be 33405  
computed in the same manner prescribed for the computation of 33406  
credits allowed under section 5725.33 of the Revised Code. 33407

The credit shall be claimed in the order prescribed by 33408  
section 5729.98 of the Revised Code. If the amount of the credit 33409  
exceeds the amount of tax otherwise due after deducting all 33410  
other credits in that order, the excess may be carried forward 33411  
and applied to the tax due for not more than four ensuing years. 33412

By claiming a tax credit under this section, an insurance 33413  
company waives its rights under section 5729.102 of the Revised 33414  
Code with respect to the time limitation for the assessment of 33415  
taxes as it relates to credits claimed that later become subject 33416



to recapture under division (D) of this section. 33417

(C) The total amount of qualified equity investments on 33418  
the basis of which credits may be claimed under this section, 33419  
section 5725.33, and section 5733.58 of the Revised Code is 33420  
subject to the limitation of division (C) of section 5725.33 of 33421  
the Revised Code. 33422

(D) If any amount of a federal tax credit allowed for a 33423  
qualified equity investment for which a credit was received 33424  
under this section is recaptured under section 45D of the 33425  
Internal Revenue Code, or if the director of housing and 33426  
~~development services~~ determines that an investment for which a 33427  
tax credit is claimed under this section is not a qualified 33428  
equity investment or that the proceeds of an investment for 33429  
which a tax credit is claimed under this section are used to 33430  
make qualified low-income community investments other than in a 33431  
qualified active low-income community business in this state, 33432  
all or a portion of the credit received on account of that 33433  
investment shall be paid by the insurance company that received 33434  
the credit to the superintendent of insurance. The amount to be 33435  
recovered shall be determined by the director of housing and 33436  
~~development services~~ pursuant to rules adopted under section 33437  
5725.33 of the Revised Code. The director shall certify any 33438  
amount due under this division to the superintendent of 33439  
insurance, and the superintendent shall notify the treasurer of 33440  
state of the amount due. Upon notification, the treasurer shall 33441  
invoice the insurance company for the amount due. The amount due 33442  
is payable not later than thirty days after the date the 33443  
treasurer invoices the insurance company. The amount due shall 33444  
be considered to be tax due under section 5729.03 or 5729.06 of 33445  
the Revised Code, as applicable, and may be collected by 33446  
assessment without regard to the time limitations imposed under 33447

section 5729.102 of the Revised Code for the assessment of taxes 33448  
by the superintendent. All amounts collected under this division 33449  
shall be credited as revenue from the tax levied under section 33450  
5729.03 of the Revised Code. 33451

**Sec. 5733.33.** (A) As used in this section: 33452

(1) "Manufacturing machinery and equipment" means engines 33453  
and machinery, and tools and implements, of every kind used, or 33454  
designed to be used, in refining and manufacturing. 33455  
"Manufacturing machinery and equipment" does not include 33456  
property acquired after December 31, 1999, that is used: 33457

(a) For the transmission and distribution of electricity; 33458

(b) For the generation of electricity, if fifty per cent 33459  
or more of the electricity that the property generates is 33460  
consumed, during the one-hundred-twenty-month period commencing 33461  
with the date the property is placed in service, by persons that 33462  
are not related members to the person who generates the 33463  
electricity. 33464

(2) "New manufacturing machinery and equipment" means 33465  
manufacturing machinery and equipment, the original use in this 33466  
state of which commences with the taxpayer or with a partnership 33467  
of which the taxpayer is a partner. "New manufacturing machinery 33468  
and equipment" does not include property acquired after December 33469  
31, 1999, that is used: 33470

(a) For the transmission and distribution of electricity; 33471

(b) For the generation of electricity, if fifty per cent 33472  
or more of the electricity that the property generates is 33473  
consumed, during the one-hundred-twenty-month period commencing 33474  
with the date the property is placed in service, by persons that 33475  
are not related members to the person who generates the 33476

electricity. 33477

(3) (a) "Purchase" has the same meaning as in section 33478  
179(d) (2) of the Internal Revenue Code. 33479

(b) For purposes of this section, any property that is not 33480  
manufactured or assembled primarily by the taxpayer is 33481  
considered purchased at the time the agreement to acquire the 33482  
property becomes binding. Any property that is manufactured or 33483  
assembled primarily by the taxpayer is considered purchased at 33484  
the time the taxpayer places the property in service in the 33485  
county for which the taxpayer will calculate the county excess 33486  
amount. 33487

(c) Notwithstanding section 179(d) of the Internal Revenue 33488  
Code, a taxpayer's direct or indirect acquisition of new 33489  
manufacturing machinery and equipment is not purchased on or 33490  
after July 1, 1995, if the taxpayer, or a person whose 33491  
relationship to the taxpayer is described in subparagraphs (A), 33492  
(B), or (C) of section 179(d) (2) of the Internal Revenue Code, 33493  
had directly or indirectly entered into a binding agreement to 33494  
acquire the property at any time prior to July 1, 1995. 33495

(4) "Qualifying period" means the period that begins July 33496  
1, 1995, and ends June 30, 2005. 33497

(5) "County average new manufacturing machinery and 33498  
equipment investment" means either of the following: 33499

(a) The average annual cost of new manufacturing machinery 33500  
and equipment purchased for use in the county during baseline 33501  
years, in the case of a taxpayer that was in existence for more 33502  
than one year during baseline years. 33503

(b) Zero, in the case of a taxpayer that was not in 33504  
existence for more than one year during baseline years. 33505

(6) "Partnership" includes a limited liability company 33506  
formed under former Chapter 1705. ~~or of the Revised Code as that~~ 33507  
chapter existed prior to February 11, 2022, Chapter 1706. of the 33508  
Revised Code, or under the laws of any other state, provided 33509  
that the company is not classified for federal income tax 33510  
purposes as an association taxable as a corporation. 33511

(7) "Partner" includes a member of a limited liability 33512  
company formed under former Chapter 1705. ~~or of the Revised Code~~ 33513  
as that chapter existed prior to February 11, 2022, Chapter 33514  
1706. of the Revised Code, or under the laws of any other state, 33515  
provided that the company is not classified for federal income 33516  
tax purposes as an association taxable as a corporation. 33517

(8) "Distressed area" means either a municipal corporation 33518  
that has a population of at least fifty thousand or a county 33519  
that meets two of the following criteria of economic distress, 33520  
or a municipal corporation the majority of the population of 33521  
which is situated in such a county: 33522

(a) Its average rate of unemployment, during the most 33523  
recent five-year period for which data are available, is equal 33524  
to at least one hundred twenty-five per cent of the average rate 33525  
of unemployment for the United States for the same period; 33526

(b) It has a per capita income equal to or below eighty 33527  
per cent of the median county per capita income of the United 33528  
States as determined by the most recently available figures from 33529  
the United States census bureau; 33530

(c) (i) In the case of a municipal corporation, at least 33531  
twenty per cent of the residents have a total income for the 33532  
most recent census year that is below the official poverty line; 33533

(ii) In the case of a county, in intercensal years, the 33534

county has a ratio of transfer payment income to total county 33535  
income equal to or greater than twenty-five per cent. 33536

(9) "Eligible area" means a distressed area, a labor 33537  
surplus area, an inner city area, or a situational distress 33538  
area. 33539

(10) "Inner city area" means, in a municipal corporation 33540  
that has a population of at least one hundred thousand and does 33541  
not meet the criteria of a labor surplus area or a distressed 33542  
area, targeted investment areas established by the municipal 33543  
corporation within its boundaries that are comprised of the most 33544  
recent census block tracts that individually have at least 33545  
twenty per cent of their population at or below the state 33546  
poverty level or other census block tracts contiguous to such 33547  
census block tracts. 33548

(11) "Labor surplus area" means an area designated as a 33549  
labor surplus area by the United States department of labor. 33550

(12) "Official poverty line" has the same meaning as in 33551  
division (A) of section 3923.51 of the Revised Code. 33552

(13) "Situational distress area" means a county or a 33553  
municipal corporation that has experienced or is experiencing a 33554  
closing or downsizing of a major employer, that will adversely 33555  
affect the county's or municipal corporation's economy. In order 33556  
to be designated as a situational distress area for a period not 33557  
to exceed thirty-six months, the county or municipal corporation 33558  
may petition the director of housing and development. The 33559  
petition shall include written documentation that demonstrates 33560  
all of the following adverse effects on the local economy: 33561

(a) The number of jobs lost by the closing or downsizing; 33562

(b) The impact that the job loss has on the county's or 33563

|  |       |
|--|-------|
| municipal corporation's unemployment rate as measured by the     | 33564 |
| state director of job and family services;                       | 33565 |
| (c) The annual payroll associated with the job loss;             | 33566 |
| (d) The amount of state and local taxes associated with          | 33567 |
| the job loss;  | 33568 |
| (e) The impact that the closing or downsizing has on the         | 33569 |
| suppliers located in the county or municipal corporation.        | 33570 |
| (14) "Cost" has the same meaning and limitation as in            | 33571 |
| section 179(d) (3) of the Internal Revenue Code.                 | 33572 |
| (15) "Baseline years" means:                                     | 33573 |
| (a) Calendar years 1992, 1993, and 1994, with regard to a        | 33574 |
| credit claimed for the purchase during calendar year 1995, 1996, | 33575 |
| 1997, or 1998 of new manufacturing machinery and equipment;      | 33576 |
| (b) Calendar years 1993, 1994, and 1995, with regard to a        | 33577 |
| credit claimed for the purchase during calendar year 1999 of new | 33578 |
| manufacturing machinery and equipment;                           | 33579 |
| (c) Calendar years 1994, 1995, and 1996, with regard to a        | 33580 |
| credit claimed for the purchase during calendar year 2000 of new | 33581 |
| manufacturing machinery and equipment;                           | 33582 |
| (d) Calendar years 1995, 1996, and 1997, with regard to a        | 33583 |
| credit claimed for the purchase during calendar year 2001 of new | 33584 |
| manufacturing machinery and equipment;                           | 33585 |
| (e) Calendar years 1996, 1997, and 1998, with regard to a        | 33586 |
| credit claimed for the purchase during calendar year 2002 of new | 33587 |
| manufacturing machinery and equipment;                           | 33588 |
| (f) Calendar years 1997, 1998, and 1999, with regard to a        | 33589 |
| credit claimed for the purchase during calendar year 2003 of new | 33590 |

manufacturing machinery and equipment; 33591

(g) Calendar years 1998, 1999, and 2000, with regard to a 33592  
credit claimed for the purchase during calendar year 2004 of new 33593  
manufacturing machinery and equipment; 33594

(h) Calendar years 1999, 2000, and 2001, with regard to a 33595  
credit claimed for the purchase on or after January 1, 2005, and 33596  
on or before June 30, 2005, of new manufacturing machinery and 33597  
equipment. 33598

(16) "Related member" has the same meaning as in section 33599  
5733.042 of the Revised Code. 33600

(B)(1) Subject to division (I) of this section, a 33601  
nonrefundable credit is allowed against the tax imposed by 33602  
section 5733.06 of the Revised Code for a taxpayer that 33603  
purchases new manufacturing machinery and equipment during the 33604  
qualifying period, provided that the new manufacturing machinery 33605  
and equipment are installed in this state no later than June 30, 33606  
2006. No credit shall be allowed under this section for taxable 33607  
years ending on or after July 1, 2005. The elimination of the 33608  
credit for those taxable years includes the elimination of any 33609  
remaining one-sevenths of credit amounts for which a portion was 33610  
allowed for prior taxable years and the elimination of any 33611  
credit carry-forward, but the purchases on which the credits 33612  
were based remain subject to grants under section 122.173 of the 33613  
Revised Code for those remaining one-seventh amounts or carry- 33614  
forward amounts. 33615

(2)(a) Except as otherwise provided in division (B)(2)(b) 33616  
of this section, a credit may be claimed under this section in 33617  
excess of one million dollars only if the cost of all 33618  
manufacturing machinery and equipment owned in this state by the 33619

taxpayer claiming the credit on the last day of the calendar 33620  
year exceeds the cost of all manufacturing machinery and 33621  
equipment owned in this state by the taxpayer on the first day 33622  
of that calendar year. 33623

As used in division (B) (2) (a) of this section, "calendar 33624  
year" means the calendar year in which the machinery and 33625  
equipment for which the credit is claimed was purchased. 33626

(b) Division (B) (2) (a) of this section does not apply if 33627  
the taxpayer claiming the credit applies for and is issued a 33628  
waiver of the requirement of that division. A taxpayer may apply 33629  
to the director of housing and development for such a waiver in 33630  
the manner prescribed by the director, and the director may 33631  
issue such a waiver if the director determines that granting the 33632  
credit is necessary to increase or retain employees in this 33633  
state, and that the credit has not caused relocation of 33634  
manufacturing machinery and equipment among counties within this 33635  
state for the primary purpose of qualifying for the credit. 33636

(C) (1) Except as otherwise provided in division (C) (2) and 33637  
division (I) of this section, the credit amount is equal to 33638  
seven and one-half per cent of the excess of the cost of the new 33639  
manufacturing machinery and equipment purchased during the 33640  
calendar year for use in a county over the county average new 33641  
manufacturing machinery and equipment investment for that 33642  
county. 33643

(2) Subject to division (I) of this section, as used in 33644  
division (C) (2) of this section "county excess" means the 33645  
taxpayer's excess cost for a county as computed under division 33646  
(C) (1) of this section. 33647

Subject to division (I) of this section, a taxpayer with a 33648



county excess, whose purchases included purchases for use in any 33649  
eligible area in the county, the credit amount is equal to 33650  
thirteen and one-half per cent of the cost of the new 33651  
manufacturing machinery and equipment purchased during the 33652  
calendar year for use in the eligible areas in the county, 33653  
provided that the cost subject to the thirteen and one-half per 33654  
cent rate shall not exceed the county excess. If the county 33655  
excess is greater than the cost of the new manufacturing 33656  
machinery and equipment purchased during the calendar year for 33657  
use in eligible areas in the county, the credit amount also 33658  
shall include an amount equal to seven and one-half per cent of 33659  
the amount of the difference. 33660

(3) If a taxpayer is allowed a credit for purchases of new 33661  
manufacturing machinery and equipment in more than one county or 33662  
eligible area, it shall aggregate the amount of those credits 33663  
each year. 33664

(4) The taxpayer shall claim one-seventh of the credit 33665  
amount for the tax year immediately following the calendar year 33666  
in which the new manufacturing machinery and equipment is 33667  
purchased for use in the county by the taxpayer or partnership. 33668  
One-seventh of the taxpayer credit amount is allowed for each of 33669  
the six ensuing tax years. Except for carried-forward amounts, 33670  
the taxpayer is not allowed any credit amount remaining if the 33671  
new manufacturing machinery and equipment is sold by the 33672  
taxpayer or partnership or is transferred by the taxpayer or 33673  
partnership out of the county before the end of the seven-year 33674  
period unless, at the time of the sale or transfer, the new 33675  
manufacturing machinery and equipment has been fully depreciated 33676  
for federal income tax purposes. 33677

(5) (a) A taxpayer that acquires manufacturing machinery 33678

and equipment as a result of a merger with the taxpayer with 33679  
whom commenced the original use in this state of the 33680  
manufacturing machinery and equipment, or with a taxpayer that 33681  
was a partner in a partnership with whom commenced the original 33682  
use in this state of the manufacturing machinery and equipment, 33683  
is entitled to any remaining or carried-forward credit amounts 33684  
to which the taxpayer was entitled. 33685

(b) A taxpayer that enters into an agreement under 33686  
division (C) (3) of section 5709.62 of the Revised Code and that 33687  
acquires manufacturing machinery or equipment as a result of 33688  
purchasing a large manufacturing facility, as defined in section 33689  
5709.61 of the Revised Code, from another taxpayer with whom 33690  
commenced the original use in this state of the manufacturing 33691  
machinery or equipment, and that operates the large 33692  
manufacturing facility so purchased, is entitled to any 33693  
remaining or carried-forward credit amounts to which the other 33694  
taxpayer who sold the facility would have been entitled under 33695  
this section had the other taxpayer not sold the manufacturing 33696  
facility or equipment. 33697

(c) New manufacturing machinery and equipment is not 33698  
considered sold if a pass-through entity transfers to another 33699  
pass-through entity substantially all of its assets as part of a 33700  
plan of reorganization under which substantially all gain and 33701  
loss is not recognized by the pass-through entity that is 33702  
transferring the new manufacturing machinery and equipment to 33703  
the transferee and under which the transferee's basis in the new 33704  
manufacturing machinery and equipment is determined, in whole or 33705  
in part, by reference to the basis of the pass-through entity 33706  
which transferred the new manufacturing machinery and equipment 33707  
to the transferee. 33708

(d) Division (C) (5) of this section shall apply only if 33709  
the acquiring taxpayer or transferee does not sell the new 33710  
manufacturing machinery and equipment or transfer the new 33711  
manufacturing machinery and equipment out of the county before 33712  
the end of the seven-year period to which division (C) (4) of 33713  
this section refers. 33714

(e) Division (C) (5) (b) of this section applies only to the 33715  
extent that the taxpayer that sold the manufacturing machinery 33716  
or equipment, upon request, timely provides to the tax 33717  
commissioner any information that the tax commissioner considers 33718  
to be necessary to ascertain any remaining or carried-forward 33719  
amounts to which the taxpayer that sold the facility would have 33720  
been entitled under this section had the taxpayer not sold the 33721  
manufacturing machinery or equipment. Nothing in division (C) (5) 33722  
(b) or (e) of this section shall be construed to allow a 33723  
taxpayer to claim any credit amount with respect to the acquired 33724  
manufacturing machinery or equipment that is greater than the 33725  
amount that would have been available to the other taxpayer that 33726  
sold the manufacturing machinery or equipment had the other 33727  
taxpayer not sold the manufacturing machinery or equipment. 33728

(D) The taxpayer shall claim the credit in the order 33729  
required under section 5733.98 of the Revised Code. Each year, 33730  
any credit amount in excess of the tax due under section 5733.06 33731  
of the Revised Code after allowing for any other credits that 33732  
precede the credit under this section in that order may be 33733  
carried forward for three tax years. 33734

(E) A taxpayer purchasing new manufacturing machinery and 33735  
equipment and intending to claim the credit shall file, with the 33736  
department of housing and development, a notice of intent to 33737  
claim the credit on a form prescribed by the department of 33738

housing and development. The department of housing and 33739  
development shall inform the tax commissioner of the notice of 33740  
intent to claim the credit. No credit may be claimed under this 33741  
section for any manufacturing machinery and equipment with 33742  
respect to which a notice was not filed by the date of a timely 33743  
filed return, including extensions, for the taxable year that 33744  
includes September 30, 2005. 33745

(F) The director of housing and development shall annually 33746  
certify, by the first day of January of each year during the 33747  
qualifying period, the eligible areas for the tax credit for the 33748  
calendar year that includes that first day of January. The 33749  
director shall send a copy of the certification to the tax 33750  
commissioner. 33751

(G) New manufacturing machinery and equipment for which a 33752  
taxpayer claims the credit under section 5733.31 or 5733.311 of 33753  
the Revised Code shall not be considered new manufacturing 33754  
machinery and equipment for purposes of the credit under this 33755  
section. 33756

(H) (1) Notwithstanding sections 5733.11 and 5747.13 of the 33757  
Revised Code, but subject to division (H) (2) of this section, 33758  
the tax commissioner may issue an assessment against a person 33759  
with respect to a credit claimed under this section for new 33760  
manufacturing machinery and equipment described in division (A) 33761  
(1) (b) or (2) (b) of this section, if the machinery or equipment 33762  
subsequently does not qualify for the credit. 33763

(2) Division (H) (1) of this section shall not apply after 33764  
the twenty-fourth month following the last day of the period 33765  
described in divisions (A) (1) (b) and (2) (b) of this section. 33766

(I) Notwithstanding any other provision of this section to 33767

the contrary, in the case of a qualifying controlled group, the 33768  
credit available under this section to a taxpayer or taxpayers 33769  
in the qualifying controlled group shall be computed as if all 33770  
corporations in the group were a single corporation. The credit 33771  
shall be allocated to such a taxpayer or taxpayers in the group 33772  
in any amount elected for the taxable year by the group. Such 33773  
election shall be revocable and amendable during the period 33774  
described in division (B) of section 5733.12 of the Revised 33775  
Code. 33776

This division applies to all purchases of new 33777  
manufacturing machinery and equipment made on or after January 33778  
1, 2001, and to all baseline years used to compute any credit 33779  
attributable to such purchases; provided, that this division may 33780  
be applied solely at the election of the qualifying controlled 33781  
group with respect to all purchases of new manufacturing 33782  
machinery and equipment made before that date, and to all 33783  
baseline years used to compute any credit attributable to such 33784  
purchases. The qualifying controlled group at any time may elect 33785  
to apply this division to purchases made prior to January 1, 33786  
2001, subject to the following: 33787

(1) The election is irrevocable; 33788

(2) The election need not accompany a timely filed report, 33789  
but the election may accompany a subsequently filed but timely 33790  
application for refund, a subsequently filed but timely amended 33791  
report, or a subsequently filed but timely petition for 33792  
reassessment. 33793

**Sec. 5733.34.** (A) As used in this section: 33794

(1) "Partnership" includes a limited liability company if 33795  
the limited liability company is not treated as a corporation 33796

for purposes of this chapter and is not classified as an 33797  
association taxable as a corporation for federal income tax 33798  
purposes. 33799

(2) "Partner" includes a member of a limited liability 33800  
company if the limited liability company is not treated as a 33801  
corporation for purposes of this chapter and is not classified 33802  
as an association taxable as a corporation for federal income 33803  
tax purposes. 33804

(B) (1) A nonrefundable credit is allowed against the tax 33805  
imposed by section 5733.06 of the Revised Code for a taxpayer 33806  
that has entered into an agreement with the director of housing 33807  
and development under section 122.16 of the Revised Code, or for 33808  
a taxpayer that is a partner in a partnership that has entered 33809  
into such an agreement. If a taxpayer is a partner in such a 33810  
partnership, the taxpayer shall be allowed its distributive 33811  
share of the credit available through the partnership. 33812

(2) If a taxpayer enters into more than one agreement 33813  
under section 122.16 of the Revised Code, the taxpayer may 33814  
aggregate the amount of those credits each year. 33815

(3) A taxpayer entitled to the credit allowed under this 33816  
section shall claim one-fifth of the credit amount for the tax 33817  
year immediately following the calendar year in which the 33818  
agreement is entered into, and one-fifth of the credit amount 33819  
for each of the four succeeding tax years. 33820

(4) A taxpayer shall claim the credit in the order 33821  
provided under section 5733.98 of the Revised Code. The amount 33822  
of the credit that a taxpayer may claim each year shall be the 33823  
amount indicated on the certificate issued by the director of 33824  
housing and development under section 122.16 of the Revised 33825

Code, or the taxpayer's distributive share of that amount if the 33826  
taxpayer is entitled to the credit through a partnership. The 33827  
taxpayer shall submit the certificate with the taxpayer's annual 33828  
report filed under section 5733.02 of the Revised Code. Each tax 33829  
year, any credit amount in excess of the tax due for that year 33830  
under section 5733.06 of the Revised Code, after allowing for 33831  
all other credits preceding the credit in that order, may be 33832  
carried forward for no more than three tax years. 33833

(5) A taxpayer shall not claim any credit amount 33834  
remaining, including any amounts carried forward from prior tax 33835  
years, for any tax year following the calendar year in which any 33836  
of the following events occur, except as otherwise provided 33837  
under division (B)(6) of this section: 33838

(a) The taxpayer or partnership through which the taxpayer 33839  
is entitled to the credit enters into a compliance schedule 33840  
agreement pursuant to division (B)(3) of section 3746.12 of the 33841  
Revised Code; 33842

(b) The taxpayer or partnership through which the taxpayer 33843  
is entitled to the credit has its covenant not to sue revoked 33844  
pursuant to Chapter 3746. of the Revised Code and rules adopted 33845  
under that chapter; 33846

(c) The covenant not to sue issued to the taxpayer or 33847  
partnership through which the taxpayer is entitled to the credit 33848  
is void pursuant to Chapter 3746. of the Revised Code; 33849

(d) The director of housing and development has determined 33850  
that the taxpayer, or a partnership through which the taxpayer 33851  
is entitled to the credit, has permitted the eligible site to be 33852  
used in such a manner as to cause the relocation of employment 33853  
positions from elsewhere in this state in violation of the 33854

commitment required under division (D) of section 122.16 of the Revised Code. 33855  
33856

If a taxpayer claims credits through more than one 33857  
partnership, division (B)(5) of this section prohibits that 33858  
taxpayer from claiming a credit through any of those 33859  
partnerships that has entered into a compliance schedule 33860  
agreement, has had its covenant not to sue revoked or voided, or 33861  
has violated the commitment required in division (D) of section 33862  
122.16 of the Revised Code. Division (B)(5) of this section does 33863  
not prohibit such a taxpayer from claiming a credit through a 33864  
partnership that has not entered into a compliance schedule 33865  
agreement, has not had its covenant not to sue revoked or 33866  
voided, or has not violated the commitment required in division 33867  
(D) of section 122.16 of the Revised Code. 33868

(6) If a taxpayer has been prohibited from claiming the 33869  
credit or a portion of the credit by reason of division (B)(5) 33870  
(a) of this section, and the taxpayer, or a partnership in which 33871  
the taxpayer is a partner, subsequently has returned the 33872  
property to compliance with applicable standards pursuant to the 33873  
compliance schedule agreement, the taxpayer may claim the credit 33874  
for the tax year following the calendar year in which the 33875  
director of environmental protection has determined that the 33876  
taxpayer or partnership has returned the property to compliance 33877  
with applicable standards and for each subsequent tax year for 33878  
which the taxpayer is otherwise allowed to claim the credit 33879  
under division (B)(3) of this section. 33880

**Sec. 5733.352.** (A) As used in this section: 33881

(1) "Borrower" means any person that receives a loan from 33882  
the director of housing and development under section 166.21 of 33883  
the Revised Code, regardless of whether the borrower is subject 33884



to the taxes imposed by sections 5733.06, 5733.065, and 5733.066 33885  
of the Revised Code. 33886

(2) "Related member" has the same meaning as in section 33887  
5733.042 of the Revised Code. 33888

(3) "Qualified research and development loan payments" has 33889  
the same meaning as in division (D) of section 166.21 of the 33890  
Revised Code. 33891

(B) Beginning with tax year 2004, and in the case of a 33892  
corporation subject to division (G)(2) of section 5733.01 of the 33893  
Revised Code ending with tax year 2008, a nonrefundable credit 33894  
is allowed against the taxes imposed by sections 5733.06, 33895  
5733.065, and 5733.066 of the Revised Code equal to a borrower's 33896  
qualified research and development loan payments made during the 33897  
calendar year immediately preceding the tax year for which the 33898  
credit is claimed. The amount of the credit for a tax year shall 33899  
not exceed one hundred fifty thousand dollars. No taxpayer is 33900  
entitled to claim a credit under this section unless it has 33901  
obtained a certificate issued by the director of housing and 33902  
development under division (D) of section 166.21 of the Revised 33903  
Code and submits a copy of the certificate with its report for 33904  
the taxable year. Failure to submit a copy of the certificate 33905  
with the report does not invalidate a claim for a credit if the 33906  
taxpayer submits a copy of the certificate within sixty days 33907  
after the tax commissioner requests it. The credit shall be 33908  
claimed in the order required under section 5733.98 of the 33909  
Revised Code. The credit, to the extent it exceeds the 33910  
taxpayer's tax liability for the tax year after allowance for 33911  
any other credits that precede the credit under this section in 33912  
that order, shall be carried forward to the next succeeding tax 33913  
year or years until fully used. A corporation subject to 33914

division (G) (2) of section 5733.01 of the Revised Code may carry 33915  
forward any credit not fully utilized by tax year 2008 and apply 33916  
it against the tax levied by Chapter 5751. of the Revised Code 33917  
to the extent allowed under section 5751.52 of the Revised Code. 33918

(C) A borrower entitled to a credit under this section may 33919  
assign the credit, or a portion thereof, to any of the 33920  
following: 33921

(1) A related member of that borrower; 33922

(2) The owner or lessee of the eligible research and 33923  
development project; 33924

(3) A related member of the owner or lessee of the 33925  
eligible research and development project. 33926

A borrower making an assignment under this division shall 33927  
provide written notice of the assignment to the tax commissioner 33928  
and the director of housing and development, in such form as the 33929  
tax commissioner prescribes, before the credit that was assigned 33930  
is used. The assignor may not claim the credit to the extent it 33931  
was assigned to an assignee. The assignee may claim the credit 33932  
only to the extent the assignor has not claimed it. 33933

(D) If any taxpayer is a partner in a partnership or a 33934  
member in a limited liability company treated as a partnership 33935  
for federal income tax purposes, the taxpayer shall be allowed 33936  
the taxpayer's distributive or proportionate share of the credit 33937  
available through the partnership or limited liability company. 33938

(E) The aggregate credit against the taxes imposed by 33939  
sections 5733.06, 5733.065, 5733.066, and 5747.02 of the Revised 33940  
Code that may be claimed under this section and section 5747.331 33941  
of the Revised Code by a borrower as a result of qualified 33942  
research and development loan payments attributable during a 33943

calendar year to any one loan shall not exceed one hundred fifty 33944  
thousand dollars. 33945

**Sec. 5733.58.** (A) Terms used in this section have the same 33946  
meaning as in section 5725.33 of the Revised Code. 33947

(B) There is hereby allowed a nonrefundable credit against 33948  
the tax imposed by section 5733.06 of the Revised Code for a 33949  
financial institution holding a qualified equity investment on 33950  
the credit allowance date occurring in the calendar year 33951  
immediately preceding the tax year for which the tax is due. The 33952  
credit shall be computed in the same manner prescribed for the 33953  
computation of credits allowed under section 5725.33 of the 33954  
Revised Code. 33955

By claiming a tax credit under this section, a financial 33956  
institution waives its rights under section 5733.11 of the 33957  
Revised Code with respect to the time limitation for the 33958  
assessment of taxes as it relates to credits claimed that later 33959  
become subject to recapture under division (D) of this section. 33960

The credit shall be claimed in the order prescribed by 33961  
section 5733.98 of the Revised Code. If the amount of the credit 33962  
exceeds the amount of tax otherwise due after deducting all 33963  
other credits in that order, the excess may be carried forward 33964  
and applied to the tax due for not more than four ensuing tax 33965  
years. 33966

(C) The total amount of qualified equity investments on 33967  
the basis of which credits may be claimed under this section and 33968  
sections 5725.33 and 5729.16 of the Revised Code is subject to 33969  
the limitation of division (C) of section 5725.33 of the Revised 33970  
Code. 33971

(D) If any amount of a federal tax credit allowed for a 33972

qualified equity investment for which a credit was received 33973  
under this section is recaptured under section 45D of the 33974  
Internal Revenue Code, or if the director of housing and 33975  
development ~~services~~ determines that an investment for which a 33976  
tax credit is claimed under this section is not a qualified 33977  
equity investment or that the proceeds of an investment for 33978  
which a tax credit is claimed under this section are used to 33979  
make qualified low-income community investments other than in a 33980  
qualified active low-income community business in this state, 33981  
all or a portion of the credit received on account of that 33982  
investment shall be paid by the financial institution that 33983  
received the credit to the tax commissioner. The amount to be 33984  
recovered shall be determined by the director of housing and 33985  
development ~~services~~ pursuant to rules adopted under section 33986  
5725.33 of the Revised Code. The director shall certify any 33987  
amount due under this division to the tax commissioner, and the 33988  
commissioner shall notify the financial institution of the 33989  
amount due. The amount due is payable not later than thirty days 33990  
after the day the commissioner issues the notice. The amount due 33991  
shall be considered to be tax due under section 5733.06 of the 33992  
Revised Code, and may be collected by assessment without regard 33993  
to the limitations imposed under section 5733.11 of the Revised 33994  
Code for the assessment of taxes by the commissioner. All 33995  
amounts collected under this division shall be credited as 33996  
revenue from the tax levied under section 5733.06 of the Revised 33997  
Code. 33998

**Sec. 5733.59.** (A) Any term used in this section has the 33999  
same meaning as in section 122.85 of the Revised Code. 34000

(B) There is allowed a credit against the tax imposed by 34001  
section 5733.06 of the Revised Code for any corporation that is 34002  
the certificate owner of a tax credit certificate issued under 34003

section 122.85 of the Revised Code. The credit shall be claimed 34004  
for the taxable year in which the certificate is issued by the 34005  
director of housing and development. The credit amount equals 34006  
the amount stated in the certificate. The credit shall be 34007  
claimed in the order required under section 5733.98 of the 34008  
Revised Code. If the credit amount exceeds the tax otherwise due 34009  
under section 5733.06 of the Revised Code after deducting all 34010  
other credits in that order, the excess shall be refunded. 34011

(C) If, pursuant to division (G) of section 5733.01 of the 34012  
Revised Code, the corporation is not required to pay tax under 34013  
this chapter, the corporation may file an annual report under 34014  
section 5733.02 of the Revised Code and claim the credit 34015  
authorized by this section. Nothing in this section allows a 34016  
corporation to claim more than one credit per tax credit- 34017  
eligible production. 34018

**Sec. 5747.01.** Except as otherwise expressly provided or 34019  
clearly appearing from the context, any term used in this 34020  
chapter that is not otherwise defined in this section has the 34021  
same meaning as when used in a comparable context in the laws of 34022  
the United States relating to federal income taxes or if not 34023  
used in a comparable context in those laws, has the same meaning 34024  
as in section 5733.40 of the Revised Code. Any reference in this 34025  
chapter to the Internal Revenue Code includes other laws of the 34026  
United States relating to federal income taxes. 34027

As used in this chapter: 34028

(A) "Adjusted gross income" or "Ohio adjusted gross 34029  
income" means federal adjusted gross income, as defined and used 34030  
in the Internal Revenue Code, adjusted as provided in this 34031  
section: 34032

(1) Add interest or dividends on obligations or securities 34033  
of any state or of any political subdivision or authority of any 34034  
state, other than this state and its subdivisions and 34035  
authorities. 34036

(2) Add interest or dividends on obligations of any 34037  
authority, commission, instrumentality, territory, or possession 34038  
of the United States to the extent that the interest or 34039  
dividends are exempt from federal income taxes but not from 34040  
state income taxes. 34041

(3) Deduct interest or dividends on obligations of the 34042  
United States and its territories and possessions or of any 34043  
authority, commission, or instrumentality of the United States 34044  
to the extent that the interest or dividends are included in 34045  
federal adjusted gross income but exempt from state income taxes 34046  
under the laws of the United States. 34047

(4) Deduct disability and survivor's benefits to the 34048  
extent included in federal adjusted gross income. 34049

(5) Deduct the following, to the extent not otherwise 34050  
deducted or excluded in computing federal or Ohio adjusted gross 34051  
income: 34052

(a) Benefits under Title II of the Social Security Act and 34053  
tier 1 railroad retirement; 34054

(b) Railroad retirement benefits, other than tier 1 34055  
railroad retirement benefits, to the extent such amounts are 34056  
exempt from state taxation under federal law. 34057

(6) Deduct the amount of wages and salaries, if any, not 34058  
otherwise allowable as a deduction but that would have been 34059  
allowable as a deduction in computing federal adjusted gross 34060  
income for the taxable year, had the work opportunity tax credit 34061

allowed and determined under sections 38, 51, and 52 of the 34062  
Internal Revenue Code not been in effect. 34063

(7) Deduct any interest or interest equivalent on public 34064  
obligations and purchase obligations to the extent that the 34065  
interest or interest equivalent is included in federal adjusted 34066  
gross income. 34067

(8) Add any loss or deduct any gain resulting from the 34068  
sale, exchange, or other disposition of public obligations to 34069  
the extent that the loss has been deducted or the gain has been 34070  
included in computing federal adjusted gross income. 34071

(9) Deduct or add amounts, as provided under section 34072  
5747.70 of the Revised Code, related to contributions made to or 34073  
tuition units purchased under a qualified tuition program 34074  
established pursuant to section 529 of the Internal Revenue 34075  
Code. 34076

(10)(a) Deduct, to the extent not otherwise allowable as a 34077  
deduction or exclusion in computing federal or Ohio adjusted 34078  
gross income for the taxable year, the amount the taxpayer paid 34079  
during the taxable year for medical care insurance and qualified 34080  
long-term care insurance for the taxpayer, the taxpayer's 34081  
spouse, and dependents. No deduction for medical care insurance 34082  
under division (A)(10)(a) of this section shall be allowed 34083  
either to any taxpayer who is eligible to participate in any 34084  
subsidized health plan maintained by any employer of the 34085  
taxpayer or of the taxpayer's spouse, or to any taxpayer who is 34086  
entitled to, or on application would be entitled to, benefits 34087  
under part A of Title XVIII of the "Social Security Act," 49 34088  
Stat. 620 (1935), 42 U.S.C. 301, as amended. For the purposes of 34089  
division (A)(10)(a) of this section, "subsidized health plan" 34090  
means a health plan for which the employer pays any portion of 34091

the plan's cost. The deduction allowed under division (A) (10) (a) 34092  
of this section shall be the net of any related premium refunds, 34093  
related premium reimbursements, or related insurance premium 34094  
dividends received during the taxable year. 34095

(b) Deduct, to the extent not otherwise deducted or 34096  
excluded in computing federal or Ohio adjusted gross income 34097  
during the taxable year, the amount the taxpayer paid during the 34098  
taxable year, not compensated for by any insurance or otherwise, 34099  
for medical care of the taxpayer, the taxpayer's spouse, and 34100  
dependents, to the extent the expenses exceed seven and one-half 34101  
per cent of the taxpayer's federal adjusted gross income. 34102

(c) For purposes of division (A) (10) of this section, 34103  
"medical care" has the meaning given in section 213 of the 34104  
Internal Revenue Code, subject to the special rules, 34105  
limitations, and exclusions set forth therein, and "qualified 34106  
long-term care" has the same meaning given in section 7702B(c) 34107  
of the Internal Revenue Code. Solely for purposes of division 34108  
(A) (10) (a) of this section, "dependent" includes a person who 34109  
otherwise would be a "qualifying relative" and thus a 34110  
"dependent" under section 152 of the Internal Revenue Code but 34111  
for the fact that the person fails to meet the income and 34112  
support limitations under section 152(d) (1) (B) and (C) of the 34113  
Internal Revenue Code. 34114

(11) (a) Deduct any amount included in federal adjusted 34115  
gross income solely because the amount represents a 34116  
reimbursement or refund of expenses that in any year the 34117  
taxpayer had deducted as an itemized deduction pursuant to 34118  
section 63 of the Internal Revenue Code and applicable United 34119  
States department of the treasury regulations. The deduction 34120  
otherwise allowed under division (A) (11) (a) of this section 34121



shall be reduced to the extent the reimbursement is attributable 34122  
to an amount the taxpayer deducted under this section in any 34123  
taxable year. 34124

(b) Add any amount not otherwise included in Ohio adjusted 34125  
gross income for any taxable year to the extent that the amount 34126  
is attributable to the recovery during the taxable year of any 34127  
amount deducted or excluded in computing federal or Ohio 34128  
adjusted gross income in any taxable year. 34129

(12) Deduct any portion of the deduction described in 34130  
section 1341(a) (2) of the Internal Revenue Code, for repaying 34131  
previously reported income received under a claim of right, that 34132  
meets both of the following requirements: 34133

(a) It is allowable for repayment of an item that was 34134  
included in the taxpayer's adjusted gross income for a prior 34135  
taxable year and did not qualify for a credit under division (A) 34136  
or (B) of section 5747.05 of the Revised Code for that year; 34137

(b) It does not otherwise reduce the taxpayer's adjusted 34138  
gross income for the current or any other taxable year. 34139

(13) Deduct an amount equal to the deposits made to, and 34140  
net investment earnings of, a medical savings account during the 34141  
taxable year, in accordance with section 3924.66 of the Revised 34142  
Code. The deduction allowed by division (A) (13) of this section 34143  
does not apply to medical savings account deposits and earnings 34144  
otherwise deducted or excluded for the current or any other 34145  
taxable year from the taxpayer's federal adjusted gross income. 34146

(14) (a) Add an amount equal to the funds withdrawn from a 34147  
medical savings account during the taxable year, and the net 34148  
investment earnings on those funds, when the funds withdrawn 34149  
were used for any purpose other than to reimburse an account 34150

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| holder for, or to pay, eligible medical expenses, in accordance  | 34151 |
| with section 3924.66 of the Revised Code;                        | 34152 |
|  |       |
| (b) Add the amounts distributed from a medical savings           | 34153 |
| account under division (A) (2) of section 3924.68 of the Revised | 34154 |
| Code during the taxable year.                                    | 34155 |
|  |       |
| (15) Add any amount claimed as a credit under section            | 34156 |
| 5747.059 of the Revised Code to the extent that such amount      | 34157 |
| satisfies either of the following:                               | 34158 |
|  |       |
| (a) The amount was deducted or excluded from the                 | 34159 |
| computation of the taxpayer's federal adjusted gross income as   | 34160 |
| required to be reported for the taxpayer's taxable year under    | 34161 |
| the Internal Revenue Code;                                       | 34162 |
|  |       |
| (b) The amount resulted in a reduction of the taxpayer's         | 34163 |
| federal adjusted gross income as required to be reported for any | 34164 |
| of the taxpayer's taxable years under the Internal Revenue Code. | 34165 |
|  |       |
| (16) Deduct the amount contributed by the taxpayer to an         | 34166 |
| individual development account program established by a county   | 34167 |
| department of job and family services pursuant to sections       | 34168 |
| 329.11 to 329.14 of the Revised Code for the purpose of matching | 34169 |
| funds deposited by program participants. On request of the tax   | 34170 |
| commissioner, the taxpayer shall provide any information that,   | 34171 |
| in the tax commissioner's opinion, is necessary to establish the | 34172 |
| amount deducted under division (A) (16) of this section.         | 34173 |
|  |       |
| (17) (a) (i) Subject to divisions (A) (17) (a) (iii), (iv), and  | 34174 |
| (v) of this section, add five-sixths of the amount of            | 34175 |
| depreciation expense allowed by subsection (k) of section 168 of | 34176 |
| the Internal Revenue Code, including the taxpayer's              | 34177 |
| proportionate or distributive share of the amount of             | 34178 |
| depreciation expense allowed by that subsection to a pass-       | 34179 |

through entity in which the taxpayer has a direct or indirect 34180  
ownership interest. 34181

(ii) Subject to divisions (A) (17) (a) (iii), (iv), and (v) 34182  
of this section, add five-sixths of the amount of qualifying 34183  
section 179 depreciation expense, including the taxpayer's 34184  
proportionate or distributive share of the amount of qualifying 34185  
section 179 depreciation expense allowed to any pass-through 34186  
entity in which the taxpayer has a direct or indirect ownership 34187  
interest. 34188

(iii) Subject to division (A) (17) (a) (v) of this section, 34189  
for taxable years beginning in 2012 or thereafter, if the 34190  
increase in income taxes withheld by the taxpayer is equal to or 34191  
greater than ten per cent of income taxes withheld by the 34192  
taxpayer during the taxpayer's immediately preceding taxable 34193  
year, "two-thirds" shall be substituted for "five-sixths" for 34194  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 34195

(iv) Subject to division (A) (17) (a) (v) of this section, 34196  
for taxable years beginning in 2012 or thereafter, a taxpayer is 34197  
not required to add an amount under division (A) (17) of this 34198  
section if the increase in income taxes withheld by the taxpayer 34199  
and by any pass-through entity in which the taxpayer has a 34200  
direct or indirect ownership interest is equal to or greater 34201  
than the sum of (I) the amount of qualifying section 179 34202  
depreciation expense and (II) the amount of depreciation expense 34203  
allowed to the taxpayer by subsection (k) of section 168 of the 34204  
Internal Revenue Code, and including the taxpayer's 34205  
proportionate or distributive shares of such amounts allowed to 34206  
any such pass-through entities. 34207

(v) If a taxpayer directly or indirectly incurs a net 34208  
operating loss for the taxable year for federal income tax 34209

purposes, to the extent such loss resulted from depreciation 34210  
expense allowed by subsection (k) of section 168 of the Internal 34211  
Revenue Code and by qualifying section 179 depreciation expense, 34212  
"the entire" shall be substituted for "five-sixths of the" for 34213  
the purpose of divisions (A) (17) (a) (i) and (ii) of this section. 34214

The tax commissioner, under procedures established by the 34215  
commissioner, may waive the add-backs related to a pass-through 34216  
entity if the taxpayer owns, directly or indirectly, less than 34217  
five per cent of the pass-through entity. 34218

(b) Nothing in division (A) (17) of this section shall be 34219  
construed to adjust or modify the adjusted basis of any asset. 34220

(c) To the extent the add-back required under division (A) 34221  
(17) (a) of this section is attributable to property generating 34222  
nonbusiness income or loss allocated under section 5747.20 of 34223  
the Revised Code, the add-back shall be situated to the same 34224  
location as the nonbusiness income or loss generated by the 34225  
property for the purpose of determining the credit under 34226  
division (A) of section 5747.05 of the Revised Code. Otherwise, 34227  
the add-back shall be apportioned, subject to one or more of the 34228  
four alternative methods of apportionment enumerated in section 34229  
5747.21 of the Revised Code. 34230

(d) For the purposes of division (A) (17) (a) (v) of this 34231  
section, net operating loss carryback and carryforward shall not 34232  
include the allowance of any net operating loss deduction 34233  
carryback or carryforward to the taxable year to the extent such 34234  
loss resulted from depreciation allowed by section 168(k) of the 34235  
Internal Revenue Code and by the qualifying section 179 34236  
depreciation expense amount. 34237

(e) For the purposes of divisions (A) (17) and (18) of this 34238

section: 34239

(i) "Income taxes withheld" means the total amount 34240  
withheld and remitted under sections 5747.06 and 5747.07 of the 34241  
Revised Code by an employer during the employer's taxable year. 34242

(ii) "Increase in income taxes withheld" means the amount 34243  
by which the amount of income taxes withheld by an employer 34244  
during the employer's current taxable year exceeds the amount of 34245  
income taxes withheld by that employer during the employer's 34246  
immediately preceding taxable year. 34247

(iii) "Qualifying section 179 depreciation expense" means 34248  
the difference between (I) the amount of depreciation expense 34249  
directly or indirectly allowed to a taxpayer under section 179 34250  
of the Internal Revised Code, and (II) the amount of 34251  
depreciation expense directly or indirectly allowed to the 34252  
taxpayer under section 179 of the Internal Revenue Code as that 34253  
section existed on December 31, 2002. 34254

(18)(a) If the taxpayer was required to add an amount 34255  
under division (A)(17)(a) of this section for a taxable year, 34256  
deduct one of the following: 34257

(i) One-fifth of the amount so added for each of the five 34258  
succeeding taxable years if the amount so added was five-sixths 34259  
of qualifying section 179 depreciation expense or depreciation 34260  
expense allowed by subsection (k) of section 168 of the Internal 34261  
Revenue Code; 34262

(ii) One-half of the amount so added for each of the two 34263  
succeeding taxable years if the amount so added was two-thirds 34264  
of such depreciation expense; 34265

(iii) One-sixth of the amount so added for each of the six 34266  
succeeding taxable years if the entire amount of such 34267

depreciation expense was so added. 34268

(b) If the amount deducted under division (A) (18) (a) of 34269  
this section is attributable to an add-back allocated under 34270  
division (A) (17) (c) of this section, the amount deducted shall 34271  
be situated to the same location. Otherwise, the add-back shall 34272  
be apportioned using the apportionment factors for the taxable 34273  
year in which the deduction is taken, subject to one or more of 34274  
the four alternative methods of apportionment enumerated in 34275  
section 5747.21 of the Revised Code. 34276

(c) No deduction is available under division (A) (18) (a) of 34277  
this section with regard to any depreciation allowed by section 34278  
168(k) of the Internal Revenue Code and by the qualifying 34279  
section 179 depreciation expense amount to the extent that such 34280  
depreciation results in or increases a federal net operating 34281  
loss carryback or carryforward. If no such deduction is 34282  
available for a taxable year, the taxpayer may carry forward the 34283  
amount not deducted in such taxable year to the next taxable 34284  
year and add that amount to any deduction otherwise available 34285  
under division (A) (18) (a) of this section for that next taxable 34286  
year. The carryforward of amounts not so deducted shall continue 34287  
until the entire addition required by division (A) (17) (a) of 34288  
this section has been deducted. 34289

(19) Deduct, to the extent not otherwise deducted or 34290  
excluded in computing federal or Ohio adjusted gross income for 34291  
the taxable year, the amount the taxpayer received during the 34292  
taxable year as reimbursement for life insurance premiums under 34293  
section 5919.31 of the Revised Code. 34294

(20) Deduct, to the extent not otherwise deducted or 34295  
excluded in computing federal or Ohio adjusted gross income for 34296  
the taxable year, the amount the taxpayer received during the 34297

taxable year as a death benefit paid by the adjutant general 34298  
under section 5919.33 of the Revised Code. 34299

(21) Deduct, to the extent included in federal adjusted 34300  
gross income and not otherwise allowable as a deduction or 34301  
exclusion in computing federal or Ohio adjusted gross income for 34302  
the taxable year, military pay and allowances received by the 34303  
taxpayer during the taxable year for active duty service in the 34304  
United States army, air force, navy, marine corps, or coast 34305  
guard or reserve components thereof or the national guard. The 34306  
deduction may not be claimed for military pay and allowances 34307  
received by the taxpayer while the taxpayer is stationed in this 34308  
state. 34309

(22) Deduct, to the extent not otherwise allowable as a 34310  
deduction or exclusion in computing federal or Ohio adjusted 34311  
gross income for the taxable year and not otherwise compensated 34312  
for by any other source, the amount of qualified organ donation 34313  
expenses incurred by the taxpayer during the taxable year, not 34314  
to exceed ten thousand dollars. A taxpayer may deduct qualified 34315  
organ donation expenses only once for all taxable years 34316  
beginning with taxable years beginning in 2007. 34317

For the purposes of division (A) (22) of this section: 34318

(a) "Human organ" means all or any portion of a human 34319  
liver, pancreas, kidney, intestine, or lung, and any portion of 34320  
human bone marrow. 34321

(b) "Qualified organ donation expenses" means travel 34322  
expenses, lodging expenses, and wages and salary forgone by a 34323  
taxpayer in connection with the taxpayer's donation, while 34324  
living, of one or more of the taxpayer's human organs to another 34325  
human being. 34326

(23) Deduct, to the extent not otherwise deducted or 34327  
excluded in computing federal or Ohio adjusted gross income for 34328  
the taxable year, amounts received by the taxpayer as retired 34329  
personnel pay for service in the uniformed services or reserve 34330  
components thereof, or the national guard, or received by the 34331  
surviving spouse or former spouse of such a taxpayer under the 34332  
survivor benefit plan on account of such a taxpayer's death. If 34333  
the taxpayer receives income on account of retirement paid under 34334  
the federal civil service retirement system or federal employees 34335  
retirement system, or under any successor retirement program 34336  
enacted by the congress of the United States that is established 34337  
and maintained for retired employees of the United States 34338  
government, and such retirement income is based, in whole or in 34339  
part, on credit for the taxpayer's uniformed service, the 34340  
deduction allowed under this division shall include only that 34341  
portion of such retirement income that is attributable to the 34342  
taxpayer's uniformed service, to the extent that portion of such 34343  
retirement income is otherwise included in federal adjusted 34344  
gross income and is not otherwise deducted under this section. 34345  
Any amount deducted under division (A) (23) of this section is 34346  
not included in a taxpayer's adjusted gross income for the 34347  
purposes of section 5747.055 of the Revised Code. No amount may 34348  
be deducted under division (A) (23) of this section on the basis 34349  
of which a credit was claimed under section 5747.055 of the 34350  
Revised Code. 34351

(24) Deduct, to the extent not otherwise deducted or 34352  
excluded in computing federal or Ohio adjusted gross income for 34353  
the taxable year, the amount the taxpayer received during the 34354  
taxable year from the military injury relief fund created in 34355  
section 5902.05 of the Revised Code. 34356

(25) Deduct, to the extent not otherwise deducted or 34357



excluded in computing federal or Ohio adjusted gross income for 34358  
the taxable year, the amount the taxpayer received as a veterans 34359  
bonus during the taxable year from the Ohio department of 34360  
veterans services as authorized by Section 2r of Article VIII, 34361  
Ohio Constitution. 34362

(26) Deduct, to the extent not otherwise deducted or 34363  
excluded in computing federal or Ohio adjusted gross income for 34364  
the taxable year, any income derived from a transfer agreement 34365  
or from the enterprise transferred under that agreement under 34366  
section 4313.02 of the Revised Code. 34367

(27) Deduct, to the extent not otherwise deducted or 34368  
excluded in computing federal or Ohio adjusted gross income for 34369  
the taxable year, Ohio college opportunity or federal Pell grant 34370  
amounts received by the taxpayer or the taxpayer's spouse or 34371  
dependent pursuant to section 3333.122 of the Revised Code or 20 34372  
U.S.C. 1070a, et seq., and used to pay room or board furnished 34373  
by the educational institution for which the grant was awarded 34374  
at the institution's facilities, including meal plans 34375  
administered by the institution. For the purposes of this 34376  
division, receipt of a grant includes the distribution of a 34377  
grant directly to an educational institution and the crediting 34378  
of the grant to the enrollee's account with the institution. 34379

(28) Deduct from the portion of an individual's federal 34380  
adjusted gross income that is business income, to the extent not 34381  
otherwise deducted or excluded in computing federal adjusted 34382  
gross income for the taxable year, one hundred twenty-five 34383  
thousand dollars for each spouse if spouses file separate 34384  
returns under section 5747.08 of the Revised Code or two hundred 34385  
fifty thousand dollars for all other individuals. 34386

(29) Deduct, as provided under section 5747.78 of the 34387

Revised Code, contributions to ABLE savings accounts made in 34388  
accordance with sections 113.50 to 113.56 of the Revised Code. 34389

(30) (a) Deduct, to the extent not otherwise deducted or 34390  
excluded in computing federal or Ohio adjusted gross income 34391  
during the taxable year, all of the following: 34392

(i) Compensation paid to a qualifying employee described 34393  
in division (A) (14) (a) of section 5703.94 of the Revised Code to 34394  
the extent such compensation is for disaster work conducted in 34395  
this state during a disaster response period pursuant to a 34396  
qualifying solicitation received by the employee's employer; 34397

(ii) Compensation paid to a qualifying employee described 34398  
in division (A) (14) (b) of section 5703.94 of the Revised Code to 34399  
the extent such compensation is for disaster work conducted in 34400  
this state by the employee during the disaster response period 34401  
on critical infrastructure owned or used by the employee's 34402  
employer; 34403

(iii) Income received by an out-of-state disaster business 34404  
for disaster work conducted in this state during a disaster 34405  
response period, or, if the out-of-state disaster business is a 34406  
pass-through entity, a taxpayer's distributive share of the 34407  
pass-through entity's income from the business conducting 34408  
disaster work in this state during a disaster response period, 34409  
if, in either case, the disaster work is conducted pursuant to a 34410  
qualifying solicitation received by the business. 34411

(b) All terms used in division (A) (30) of this section 34412  
have the same meanings as in section 5703.94 of the Revised 34413  
Code. 34414

(31) For a taxpayer who is a qualifying Ohio educator, 34415  
deduct, to the extent not otherwise deducted or excluded in 34416

computing federal or Ohio adjusted gross income for the taxable 34417  
year, the lesser of two hundred fifty dollars or the amount of 34418  
expenses described in subsections (a) (2) (D) (i) and (ii) of 34419  
section 62 of the Internal Revenue Code paid or incurred by the 34420  
taxpayer during the taxpayer's taxable year in excess of the 34421  
amount the taxpayer is authorized to deduct for that taxable 34422  
year under subsection (a) (2) (D) of that section. 34423

(32) Deduct, to the extent not otherwise deducted or 34424  
excluded in computing federal or Ohio adjusted gross income for 34425  
the taxable year, amounts received by the taxpayer as a 34426  
disability severance payment, computed under 10 U.S.C. 1212, 34427  
following discharge or release under honorable conditions from 34428  
the armed forces, as defined by 10 U.S.C. 101. 34429

(33) Deduct, to the extent not otherwise deducted or 34430  
excluded in computing federal adjusted gross income or Ohio 34431  
adjusted gross income, amounts not subject to tax due to an 34432  
agreement entered into under division (A) (2) of section 5747.05 34433  
of the Revised Code. 34434

(34) Deduct amounts as provided under section 5747.79 of 34435  
the Revised Code related to the taxpayer's qualifying capital 34436  
gains and deductible payroll. 34437

To the extent a qualifying capital gain described under 34438  
division (A) (34) of this section is business income, the 34439  
taxpayer shall deduct those gains under this division before 34440  
deducting any such gains under division (A) (28) of this section. 34441

(35) (a) For taxable years beginning in or after 2026, 34442  
deduct, to the extent not otherwise deducted or excluded in 34443  
computing federal or Ohio adjusted gross income for the taxable 34444  
year: 34445

(i) One hundred per cent of the capital gain received by 34446  
the taxpayer in the taxable year from a qualifying interest in 34447  
an Ohio venture capital operating company attributable to the 34448  
company's investments in Ohio businesses during the period for 34449  
which the company was an Ohio venture operating company; and 34450

(ii) Fifty per cent of the capital gain received by the 34451  
taxpayer in the taxable year from a qualifying interest in an 34452  
Ohio venture capital operating company attributable to the 34453  
company's investments in all other businesses during the period 34454  
for which the company was an Ohio venture operating company. 34455

(b) Add amounts previously deducted by the taxpayer under 34456  
division (A) (35) (a) of this section if the director of housing 34457  
and development certifies to the tax commissioner that the 34458  
requirements for the deduction were not met. 34459

(c) All terms used in division (A) (35) of this section 34460  
have the same meanings as in section 122.851 of the Revised 34461  
Code. 34462

(d) To the extent a capital gain described in division (A) 34463  
(35) (a) of this section is business income, the taxpayer shall 34464  
apply that division before applying division (A) (28) of this 34465  
section. 34466

(36) Add, to the extent not otherwise included in 34467  
computing federal or Ohio adjusted gross income for any taxable 34468  
year, the taxpayer's proportionate share of the amount of the 34469  
tax levied under section 5747.38 of the Revised Code and paid by 34470  
an electing pass-through entity for the taxable year. 34471

Notwithstanding any provision of the Revised Code to the 34472  
contrary, the portion of the addition required by division (A) 34473  
(36) of this section related to the apportioned business income 34474

of the pass-through entity shall be considered business income 34475  
under division (B) of this section. Such addition is eligible 34476  
for the deduction in division (A) (28) of this section, subject 34477  
to the applicable dollar limitations, and the tax rate 34478  
prescribed by division (A) (4) (a) of section 5747.02 of the 34479  
Revised Code. The taxpayer shall provide, upon request of the 34480  
tax commissioner, any documentation necessary to verify the 34481  
portion of the addition that is business income under this 34482  
division. 34483

(37) Deduct, to the extent not otherwise deducted or 34484  
excluded in computing federal or Ohio adjusted gross income for 34485  
the taxable year, amounts delivered to a qualifying institution 34486  
pursuant to section 3333.128 of the Revised Code for the benefit 34487  
of the taxpayer or the taxpayer's spouse or dependent. 34488

(38) Deduct, to the extent not otherwise deducted or 34489  
excluded in computing federal or Ohio adjusted gross income for 34490  
the taxable year, amounts received under the Ohio adoption grant 34491  
program pursuant to section 5101.191 of the Revised Code. 34492

(39) Deduct, to the extent included in federal adjusted 34493  
gross income, income attributable to amounts provided to a 34494  
taxpayer for any of the purposes for which an exclusion would 34495  
have been authorized under section 139 of the Internal Revenue 34496  
Code if the train derailment near the city of East Palestine on 34497  
February 3, 2023, had been a qualified disaster pursuant to that 34498  
section, or to compensate for lost business resulting from that 34499  
derailment, if such amounts are provided by any of the 34500  
following: 34501

(a) A federal, state, or local government agency; 34502

(b) A railroad company, as that term is defined in section 34503

5727.01 of the Revised Code; 34504

(c) Any subsidiary, insurer, or agent of a railroad 34505  
company or any related person. 34506

Notwithstanding any provision to the contrary, the 34507  
derailment is not required to meet the definition of a 34508  
"qualified disaster" pursuant to section 139 of the Internal 34509  
Revenue Code to qualify for the deduction under this section. 34510

(40) Deduct, to the extent included in federal adjusted 34511  
gross income, income attributable to loan repayments on behalf 34512  
of the taxpayer under the rural practice incentive program under 34513  
section 3333.135 of the Revised Code. 34514

(41) Add any income taxes deducted in computing federal or 34515  
Ohio adjusted gross income to the extent the income taxes were 34516  
derived from income subject to a tax levied in another state or 34517  
the District of Columbia when such tax was enacted for purposes 34518  
of complying with internal revenue service notice 2020-75. 34519

Notwithstanding any provision of the Revised Code to the 34520  
contrary, the portion of the addition required by division (A) 34521  
(41) of this section related to the apportioned business income 34522  
of the pass-through entity shall be considered business income 34523  
under division (B) of this section. Such addition is eligible 34524  
for the deduction in division (A) (28) of this section, subject 34525  
to the applicable dollar limitations, and the tax rate 34526  
prescribed by division (A) (4) (a) of section 5747.02 of the 34527  
Revised Code. The taxpayer shall provide, upon request of the 34528  
tax commissioner, any documentation necessary to verify the 34529  
portion of the addition that is business income under this 34530  
division. 34531

(42) Deduct amounts contributed to a homeownership savings 34532

account and calculated pursuant to divisions (B) and (C) of 34533  
section 5747.85 of the Revised Code. 34534

(43) If the taxpayer is the account owner, add the amount 34535  
of funds withdrawn from a homeownership savings account not used 34536  
for eligible expenses, regardless of who deposited those funds. 34537  
As used in division (A) (43) of this section, "homeownership 34538  
savings account," "account owner," and "eligible expenses" have 34539  
the same meanings as in section 5747.85 of the Revised Code. 34540

(B) "Business income" means income, including gain or 34541  
loss, arising from transactions, activities, and sources in the 34542  
regular course of a trade or business and includes income, gain, 34543  
or loss from real property, tangible property, and intangible 34544  
property if the acquisition, rental, management, and disposition 34545  
of the property constitute integral parts of the regular course 34546  
of a trade or business operation. "Business income" includes 34547  
income, including gain or loss, from a partial or complete 34548  
liquidation of a business, including, but not limited to, gain 34549  
or loss from the sale or other disposition of goodwill or the 34550  
sale of an equity or ownership interest in a business. 34551

As used in this division, the "sale of an equity or 34552  
ownership interest in a business" means sales to which either or 34553  
both of the following apply: 34554

(1) The sale is treated for federal income tax purposes as 34555  
the sale of assets. 34556

(2) The seller materially participated, as described in 26 34557  
C.F.R. 1.469-5T, in the activities of the business during the 34558  
taxable year in which the sale occurs or during any of the five 34559  
preceding taxable years. 34560

(C) "Nonbusiness income" means all income other than 34561

business income and may include, but is not limited to, 34562  
compensation, rents and royalties from real or tangible personal 34563  
property, capital gains, interest, dividends and distributions, 34564  
patent or copyright royalties, or lottery winnings, prizes, and 34565  
awards. 34566

(D) "Compensation" means any form of remuneration paid to 34567  
an employee for personal services. 34568

(E) "Fiduciary" means a guardian, trustee, executor, 34569  
administrator, receiver, conservator, or any other person acting 34570  
in any fiduciary capacity for any individual, trust, or estate. 34571

(F) "Fiscal year" means an accounting period of twelve 34572  
months ending on the last day of any month other than December. 34573

(G) "Individual" means any natural person. 34574

(H) "Internal Revenue Code" means the "Internal Revenue 34575  
Code of 1986," 100 Stat. 2085, 26 U.S.C.A. 1, as amended. 34576

(I) "Resident" means any of the following: 34577

(1) An individual who is domiciled in this state, subject 34578  
to section 5747.24 of the Revised Code; 34579

(2) The estate of a decedent who at the time of death was 34580  
domiciled in this state. The domicile tests of section 5747.24 34581  
of the Revised Code are not controlling for purposes of division 34582  
(I) (2) of this section. 34583

(3) A trust that, in whole or part, resides in this state. 34584  
If only part of a trust resides in this state, the trust is a 34585  
resident only with respect to that part. 34586

For the purposes of division (I) (3) of this section: 34587

(a) A trust resides in this state for the trust's current 34588



taxable year to the extent, as described in division (I) (3) (d) 34589  
of this section, that the trust consists directly or indirectly, 34590  
in whole or in part, of assets, net of any related liabilities, 34591  
that were transferred, or caused to be transferred, directly or 34592  
indirectly, to the trust by any of the following: 34593

(i) A person, a court, or a governmental entity or 34594  
instrumentality on account of the death of a decedent, but only 34595  
if the trust is described in division (I) (3) (e) (i) or (ii) of 34596  
this section; 34597

(ii) A person who was domiciled in this state for the 34598  
purposes of this chapter when the person directly or indirectly 34599  
transferred assets to an irrevocable trust, but only if at least 34600  
one of the trust's qualifying beneficiaries is domiciled in this 34601  
state for the purposes of this chapter during all or some 34602  
portion of the trust's current taxable year; 34603

(iii) A person who was domiciled in this state for the 34604  
purposes of this chapter when the trust document or instrument 34605  
or part of the trust document or instrument became irrevocable, 34606  
but only if at least one of the trust's qualifying beneficiaries 34607  
is a resident domiciled in this state for the purposes of this 34608  
chapter during all or some portion of the trust's current 34609  
taxable year. If a trust document or instrument became 34610  
irrevocable upon the death of a person who at the time of death 34611  
was domiciled in this state for purposes of this chapter, that 34612  
person is a person described in division (I) (3) (a) (iii) of this 34613  
section. 34614

(b) A trust is irrevocable to the extent that the 34615  
transferor is not considered to be the owner of the net assets 34616  
of the trust under sections 671 to 678 of the Internal Revenue 34617  
Code. 34618

(c) With respect to a trust other than a charitable lead trust, "qualifying beneficiary" has the same meaning as "potential current beneficiary" as defined in section 1361(e) (2) of the Internal Revenue Code, and with respect to a charitable lead trust "qualifying beneficiary" is any current, future, or contingent beneficiary, but with respect to any trust "qualifying beneficiary" excludes a person or a governmental entity or instrumentality to any of which a contribution would qualify for the charitable deduction under section 170 of the Internal Revenue Code.

(d) For the purposes of division (I) (3) (a) of this section, the extent to which a trust consists directly or indirectly, in whole or in part, of assets, net of any related liabilities, that were transferred directly or indirectly, in whole or part, to the trust by any of the sources enumerated in that division shall be ascertained by multiplying the fair market value of the trust's assets, net of related liabilities, by the qualifying ratio, which shall be computed as follows:

(i) The first time the trust receives assets, the numerator of the qualifying ratio is the fair market value of those assets at that time, net of any related liabilities, from sources enumerated in division (I) (3) (a) of this section. The denominator of the qualifying ratio is the fair market value of all the trust's assets at that time, net of any related liabilities.

(ii) Each subsequent time the trust receives assets, a revised qualifying ratio shall be computed. The numerator of the revised qualifying ratio is the sum of (1) the fair market value of the trust's assets immediately prior to the subsequent transfer, net of any related liabilities, multiplied by the

qualifying ratio last computed without regard to the subsequent 34649  
transfer, and (2) the fair market value of the subsequently 34650  
transferred assets at the time transferred, net of any related 34651  
liabilities, from sources enumerated in division (I) (3) (a) of 34652  
this section. The denominator of the revised qualifying ratio is 34653  
the fair market value of all the trust's assets immediately 34654  
after the subsequent transfer, net of any related liabilities. 34655

(iii) Whether a transfer to the trust is by or from any of 34656  
the sources enumerated in division (I) (3) (a) of this section 34657  
shall be ascertained without regard to the domicile of the 34658  
trust's beneficiaries. 34659

(e) For the purposes of division (I) (3) (a) (i) of this 34660  
section: 34661

(i) A trust is described in division (I) (3) (e) (i) of this 34662  
section if the trust is a testamentary trust and the testator of 34663  
that testamentary trust was domiciled in this state at the time 34664  
of the testator's death for purposes of the taxes levied under 34665  
Chapter 5731. of the Revised Code. 34666

(ii) A trust is described in division (I) (3) (e) (ii) of 34667  
this section if the transfer is a qualifying transfer described 34668  
in any of divisions (I) (3) (f) (i) to (vi) of this section, the 34669  
trust is an irrevocable inter vivos trust, and at least one of 34670  
the trust's qualifying beneficiaries is domiciled in this state 34671  
for purposes of this chapter during all or some portion of the 34672  
trust's current taxable year. 34673

(f) For the purposes of division (I) (3) (e) (ii) of this 34674  
section, a "qualifying transfer" is a transfer of assets, net of 34675  
any related liabilities, directly or indirectly to a trust, if 34676  
the transfer is described in any of the following: 34677

(i) The transfer is made to a trust, created by the 34678  
decedent before the decedent's death and while the decedent was 34679  
domiciled in this state for the purposes of this chapter, and, 34680  
prior to the death of the decedent, the trust became irrevocable 34681  
while the decedent was domiciled in this state for the purposes 34682  
of this chapter. 34683

(ii) The transfer is made to a trust to which the 34684  
decedent, prior to the decedent's death, had directly or 34685  
indirectly transferred assets, net of any related liabilities, 34686  
while the decedent was domiciled in this state for the purposes 34687  
of this chapter, and prior to the death of the decedent the 34688  
trust became irrevocable while the decedent was domiciled in 34689  
this state for the purposes of this chapter. 34690

(iii) The transfer is made on account of a contractual 34691  
relationship existing directly or indirectly between the 34692  
transferor and either the decedent or the estate of the decedent 34693  
at any time prior to the date of the decedent's death, and the 34694  
decedent was domiciled in this state at the time of death for 34695  
purposes of the taxes levied under Chapter 5731. of the Revised 34696  
Code. 34697

(iv) The transfer is made to a trust on account of a 34698  
contractual relationship existing directly or indirectly between 34699  
the transferor and another person who at the time of the 34700  
decedent's death was domiciled in this state for purposes of 34701  
this chapter. 34702

(v) The transfer is made to a trust on account of the will 34703  
of a testator who was domiciled in this state at the time of the 34704  
testator's death for purposes of the taxes levied under Chapter 34705  
5731. of the Revised Code. 34706

(vi) The transfer is made to a trust created by or caused 34707  
to be created by a court, and the trust was directly or 34708  
indirectly created in connection with or as a result of the 34709  
death of an individual who, for purposes of the taxes levied 34710  
under Chapter 5731. of the Revised Code, was domiciled in this 34711  
state at the time of the individual's death. 34712

(g) The tax commissioner may adopt rules to ascertain the 34713  
part of a trust residing in this state. 34714

(J) "Nonresident" means an individual or estate that is 34715  
not a resident. An individual who is a resident for only part of 34716  
a taxable year is a nonresident for the remainder of that 34717  
taxable year. 34718

(K) "Pass-through entity" has the same meaning as in 34719  
section 5733.04 of the Revised Code. 34720

(L) "Return" means the notifications and reports required 34721  
to be filed pursuant to this chapter for the purpose of 34722  
reporting the tax due and includes declarations of estimated tax 34723  
when so required. 34724

(M) "Taxable year" means the calendar year or the 34725  
taxpayer's fiscal year ending during the calendar year, or 34726  
fractional part thereof, upon which the adjusted gross income is 34727  
calculated pursuant to this chapter. 34728

(N) "Taxpayer" means any person subject to the tax imposed 34729  
by section 5747.02 of the Revised Code or any pass-through 34730  
entity that makes the election under division (D) of section 34731  
5747.08 of the Revised Code. 34732

(O) "Dependents" means one of the following: 34733

(1) For taxable years beginning on or after January 1, 34734

2018, and before January 1, 2026, dependents as defined in the 34735  
Internal Revenue Code; 34736

(2) For all other taxable years, dependents as defined in 34737  
the Internal Revenue Code and as claimed in the taxpayer's 34738  
federal income tax return for the taxable year or which the 34739  
taxpayer would have been permitted to claim had the taxpayer 34740  
filed a federal income tax return. 34741

(P) "Principal county of employment" means, in the case of 34742  
a nonresident, the county within the state in which a taxpayer 34743  
performs services for an employer or, if those services are 34744  
performed in more than one county, the county in which the major 34745  
portion of the services are performed. 34746

(Q) As used in sections 5747.50 to 5747.55 of the Revised 34747  
Code: 34748

(1) "Subdivision" means any county, municipal corporation, 34749  
park district, or township. 34750

(2) "Essential local government purposes" includes all 34751  
functions that any subdivision is required by general law to 34752  
exercise, including like functions that are exercised under a 34753  
charter adopted pursuant to the Ohio Constitution. 34754

(R) "Overpayment" means any amount already paid that 34755  
exceeds the figure determined to be the correct amount of the 34756  
tax. 34757

(S) "Taxable income" or "Ohio taxable income" applies only 34758  
to estates and trusts, and means federal taxable income, as 34759  
defined and used in the Internal Revenue Code, adjusted as 34760  
follows: 34761

(1) Add interest or dividends, net of ordinary, necessary, 34762

and reasonable expenses not deducted in computing federal 34763  
taxable income, on obligations or securities of any state or of 34764  
any political subdivision or authority of any state, other than 34765  
this state and its subdivisions and authorities, but only to the 34766  
extent that such net amount is not otherwise includible in Ohio 34767  
taxable income and is described in either division (S) (1) (a) or 34768  
(b) of this section: 34769

(a) The net amount is not attributable to the S portion of 34770  
an electing small business trust and has not been distributed to 34771  
beneficiaries for the taxable year; 34772

(b) The net amount is attributable to the S portion of an 34773  
electing small business trust for the taxable year. 34774

(2) Add interest or dividends, net of ordinary, necessary, 34775  
and reasonable expenses not deducted in computing federal 34776  
taxable income, on obligations of any authority, commission, 34777  
instrumentality, territory, or possession of the United States 34778  
to the extent that the interest or dividends are exempt from 34779  
federal income taxes but not from state income taxes, but only 34780  
to the extent that such net amount is not otherwise includible 34781  
in Ohio taxable income and is described in either division (S) 34782  
(1) (a) or (b) of this section; 34783

(3) Add the amount of personal exemption allowed to the 34784  
estate pursuant to section 642(b) of the Internal Revenue Code; 34785

(4) Deduct interest or dividends, net of related expenses 34786  
deducted in computing federal taxable income, on obligations of 34787  
the United States and its territories and possessions or of any 34788  
authority, commission, or instrumentality of the United States 34789  
to the extent that the interest or dividends are exempt from 34790  
state taxes under the laws of the United States, but only to the 34791

extent that such amount is included in federal taxable income 34792  
and is described in either division (S) (1) (a) or (b) of this 34793  
section; 34794

(5) Deduct the amount of wages and salaries, if any, not 34795  
otherwise allowable as a deduction but that would have been 34796  
allowable as a deduction in computing federal taxable income for 34797  
the taxable year, had the work opportunity tax credit allowed 34798  
under sections 38, 51, and 52 of the Internal Revenue Code not 34799  
been in effect, but only to the extent such amount relates 34800  
either to income included in federal taxable income for the 34801  
taxable year or to income of the S portion of an electing small 34802  
business trust for the taxable year; 34803

(6) Deduct any interest or interest equivalent, net of 34804  
related expenses deducted in computing federal taxable income, 34805  
on public obligations and purchase obligations, but only to the 34806  
extent that such net amount relates either to income included in 34807  
federal taxable income for the taxable year or to income of the 34808  
S portion of an electing small business trust for the taxable 34809  
year; 34810

(7) Add any loss or deduct any gain resulting from sale, 34811  
exchange, or other disposition of public obligations to the 34812  
extent that such loss has been deducted or such gain has been 34813  
included in computing either federal taxable income or income of 34814  
the S portion of an electing small business trust for the 34815  
taxable year; 34816

(8) Except in the case of the final return of an estate, 34817  
add any amount deducted by the taxpayer on both its Ohio estate 34818  
tax return pursuant to section 5731.14 of the Revised Code, and 34819  
on its federal income tax return in determining federal taxable 34820  
income; 34821



(9) (a) Deduct any amount included in federal taxable 34822  
income solely because the amount represents a reimbursement or 34823  
refund of expenses that in a previous year the decedent had 34824  
deducted as an itemized deduction pursuant to section 63 of the 34825  
Internal Revenue Code and applicable treasury regulations. The 34826  
deduction otherwise allowed under division (S) (9) (a) of this 34827  
section shall be reduced to the extent the reimbursement is 34828  
attributable to an amount the taxpayer or decedent deducted 34829  
under this section in any taxable year. 34830

(b) Add any amount not otherwise included in Ohio taxable 34831  
income for any taxable year to the extent that the amount is 34832  
attributable to the recovery during the taxable year of any 34833  
amount deducted or excluded in computing federal or Ohio taxable 34834  
income in any taxable year, but only to the extent such amount 34835  
has not been distributed to beneficiaries for the taxable year. 34836

(10) Deduct any portion of the deduction described in 34837  
section 1341(a) (2) of the Internal Revenue Code, for repaying 34838  
previously reported income received under a claim of right, that 34839  
meets both of the following requirements: 34840

(a) It is allowable for repayment of an item that was 34841  
included in the taxpayer's taxable income or the decedent's 34842  
adjusted gross income for a prior taxable year and did not 34843  
qualify for a credit under division (A) or (B) of section 34844  
5747.05 of the Revised Code for that year. 34845

(b) It does not otherwise reduce the taxpayer's taxable 34846  
income or the decedent's adjusted gross income for the current 34847  
or any other taxable year. 34848

(11) Add any amount claimed as a credit under section 34849  
5747.059 of the Revised Code to the extent that the amount 34850

satisfies either of the following: 34851

(a) The amount was deducted or excluded from the 34852  
computation of the taxpayer's federal taxable income as required 34853  
to be reported for the taxpayer's taxable year under the 34854  
Internal Revenue Code; 34855

(b) The amount resulted in a reduction in the taxpayer's 34856  
federal taxable income as required to be reported for any of the 34857  
taxpayer's taxable years under the Internal Revenue Code. 34858

(12) Deduct any amount, net of related expenses deducted 34859  
in computing federal taxable income, that a trust is required to 34860  
report as farm income on its federal income tax return, but only 34861  
if the assets of the trust include at least ten acres of land 34862  
satisfying the definition of "land devoted exclusively to 34863  
agricultural use" under section 5713.30 of the Revised Code, 34864  
regardless of whether the land is valued for tax purposes as 34865  
such land under sections 5713.30 to 5713.38 of the Revised Code. 34866  
If the trust is a pass-through entity investor, section 5747.231 34867  
of the Revised Code applies in ascertaining if the trust is 34868  
eligible to claim the deduction provided by division (S) (12) of 34869  
this section in connection with the pass-through entity's farm 34870  
income. 34871

Except for farm income attributable to the S portion of an 34872  
electing small business trust, the deduction provided by 34873  
division (S) (12) of this section is allowed only to the extent 34874  
that the trust has not distributed such farm income. 34875

(13) Add the net amount of income described in section 34876  
641(c) of the Internal Revenue Code to the extent that amount is 34877  
not included in federal taxable income. 34878

(14) Deduct the amount the taxpayer would be required to 34879

deduct under division (A) (18) of this section if the taxpayer's  
Ohio taxable income ~~were~~was computed in the same manner as an  
individual's Ohio adjusted gross income is computed under this  
section.

(15) Add, to the extent not otherwise included in  
computing taxable income or Ohio taxable income for any taxable  
year, the taxpayer's proportionate share of the amount of the  
tax levied under section 5747.38 of the Revised Code and paid by  
an electing pass-through entity for the taxable year.

(16) Add any income taxes deducted in computing federal  
taxable income or Ohio taxable income to the extent the income  
taxes were derived from income subject to a tax levied in  
another state or the District of Columbia when such tax was  
enacted for purposes of complying with internal revenue service  
notice 2020-75.

(T) "School district income" and "school district income  
tax" have the same meanings as in section 5748.01 of the Revised  
Code.

(U) As used in divisions (A) (7), (A) (8), (S) (6), and (S)  
(7) of this section, "public obligations," "purchase  
obligations," and "interest or interest equivalent" have the  
same meanings as in section 5709.76 of the Revised Code.

(V) "Limited liability company" means any limited  
liability company formed under former Chapter 1705. of the  
Revised Code as that chapter existed prior to February 11, 2022,  
Chapter 1706. of the Revised Code, or the laws of any other  
state.

(W) "Pass-through entity investor" means any person who,  
during any portion of a taxable year of a pass-through entity,

is a partner, member, shareholder, or equity investor in that 34909  
pass-through entity. 34910

(X) "Banking day" has the same meaning as in section 34911  
1304.01 of the Revised Code. 34912

(Y) "Month" means a calendar month. 34913

(Z) "Quarter" means the first three months, the second 34914  
three months, the third three months, or the last three months 34915  
of the taxpayer's taxable year. 34916

(AA) (1) "Modified business income" means the business 34917  
income included in a trust's Ohio taxable income after such 34918  
taxable income is first reduced by the qualifying trust amount, 34919  
if any. 34920

(2) "Qualifying trust amount" of a trust means capital 34921  
gains and losses from the sale, exchange, or other disposition 34922  
of equity or ownership interests in, or debt obligations of, a 34923  
qualifying investee to the extent included in the trust's Ohio 34924  
taxable income, but only if the following requirements are 34925  
satisfied: 34926

(a) The book value of the qualifying investee's physical 34927  
assets in this state and everywhere, as of the last day of the 34928  
qualifying investee's fiscal or calendar year ending immediately 34929  
prior to the date on which the trust recognizes the gain or 34930  
loss, is available to the trust. 34931

(b) The requirements of section 5747.011 of the Revised 34932  
Code are satisfied for the trust's taxable year in which the 34933  
trust recognizes the gain or loss. 34934

Any gain or loss that is not a qualifying trust amount is 34935  
modified business income, qualifying investment income, or 34936

modified nonbusiness income, as the case may be. 34937

(3) "Modified nonbusiness income" means a trust's Ohio 34938  
taxable income other than modified business income, other than 34939  
the qualifying trust amount, and other than qualifying 34940  
investment income, as defined in section 5747.012 of the Revised 34941  
Code, to the extent such qualifying investment income is not 34942  
otherwise part of modified business income. 34943

(4) "Modified Ohio taxable income" applies only to trusts, 34944  
and means the sum of the amounts described in divisions (AA) (4) 34945  
(a) to (c) of this section: 34946

(a) The fraction, calculated under section 5747.013, and 34947  
applying section 5747.231 of the Revised Code, multiplied by the 34948  
sum of the following amounts: 34949

(i) The trust's modified business income; 34950

(ii) The trust's qualifying investment income, as defined 34951  
in section 5747.012 of the Revised Code, but only to the extent 34952  
the qualifying investment income does not otherwise constitute 34953  
modified business income and does not otherwise constitute a 34954  
qualifying trust amount. 34955

(b) The qualifying trust amount multiplied by a fraction, 34956  
the numerator of which is the sum of the book value of the 34957  
qualifying investee's physical assets in this state on the last 34958  
day of the qualifying investee's fiscal or calendar year ending 34959  
immediately prior to the day on which the trust recognizes the 34960  
qualifying trust amount, and the denominator of which is the sum 34961  
of the book value of the qualifying investee's total physical 34962  
assets everywhere on the last day of the qualifying investee's 34963  
fiscal or calendar year ending immediately prior to the day on 34964  
which the trust recognizes the qualifying trust amount. If, for 34965

a taxable year, the trust recognizes a qualifying trust amount 34966  
with respect to more than one qualifying investee, the amount 34967  
described in division (AA) (4) (b) of this section shall equal the 34968  
sum of the products so computed for each such qualifying 34969  
investee. 34970

(c) (i) With respect to a trust or portion of a trust that 34971  
is a resident as ascertained in accordance with division (I) (3) 34972  
(d) of this section, its modified nonbusiness income. 34973

(ii) With respect to a trust or portion of a trust that is 34974  
not a resident as ascertained in accordance with division (I) (3) 34975  
(d) of this section, the amount of its modified nonbusiness 34976  
income satisfying the descriptions in divisions (B) (2) to (5) of 34977  
section 5747.20 of the Revised Code, except as otherwise 34978  
provided in division (AA) (4) (c) (ii) of this section. With 34979  
respect to a trust or portion of a trust that is not a resident 34980  
as ascertained in accordance with division (I) (3) (d) of this 34981  
section, the trust's portion of modified nonbusiness income 34982  
recognized from the sale, exchange, or other disposition of a 34983  
debt interest in or equity interest in a section 5747.212 34984  
entity, as defined in section 5747.212 of the Revised Code, 34985  
without regard to division (A) of that section, shall not be 34986  
allocated to this state in accordance with section 5747.20 of 34987  
the Revised Code but shall be apportioned to this state in 34988  
accordance with division (B) of section 5747.212 of the Revised 34989  
Code without regard to division (A) of that section. 34990

If the allocation and apportionment of a trust's income 34991  
under divisions (AA) (4) (a) and (c) of this section do not fairly 34992  
represent the modified Ohio taxable income of the trust in this 34993  
state, the alternative methods described in division (C) of 34994  
section 5747.21 of the Revised Code may be applied in the manner 34995

and to the same extent provided in that section. 34996

(5) (a) Except as set forth in division (AA) (5) (b) of this 34997  
section, "qualifying investee" means a person in which a trust 34998  
has an equity or ownership interest, or a person or unit of 34999  
government the debt obligations of either of which are owned by 35000  
a trust. For the purposes of division (AA) (2) (a) of this section 35001  
and for the purpose of computing the fraction described in 35002  
division (AA) (4) (b) of this section, all of the following apply: 35003

(i) If the qualifying investee is a member of a qualifying 35004  
controlled group on the last day of the qualifying investee's 35005  
fiscal or calendar year ending immediately prior to the date on 35006  
which the trust recognizes the gain or loss, then "qualifying 35007  
investee" includes all persons in the qualifying controlled 35008  
group on such last day. 35009

(ii) If the qualifying investee, or if the qualifying 35010  
investee and any members of the qualifying controlled group of 35011  
which the qualifying investee is a member on the last day of the 35012  
qualifying investee's fiscal or calendar year ending immediately 35013  
prior to the date on which the trust recognizes the gain or 35014  
loss, separately or cumulatively own, directly or indirectly, on 35015  
the last day of the qualifying investee's fiscal or calendar 35016  
year ending immediately prior to the date on which the trust 35017  
recognizes the qualifying trust amount, more than fifty per cent 35018  
of the equity of a pass-through entity, then the qualifying 35019  
investee and the other members are deemed to own the 35020  
proportionate share of the pass-through entity's physical assets 35021  
which the pass-through entity directly or indirectly owns on the 35022  
last day of the pass-through entity's calendar or fiscal year 35023  
ending within or with the last day of the qualifying investee's 35024  
fiscal or calendar year ending immediately prior to the date on 35025

which the trust recognizes the qualifying trust amount. 35026

(iii) For the purposes of division (AA) (5) (a) (iii) of this 35027  
section, "upper level pass-through entity" means a pass-through 35028  
entity directly or indirectly owning any equity of another pass- 35029  
through entity, and "lower level pass-through entity" means that 35030  
other pass-through entity. 35031

An upper level pass-through entity, whether or not it is 35032  
also a qualifying investee, is deemed to own, on the last day of 35033  
the upper level pass-through entity's calendar or fiscal year, 35034  
the proportionate share of the lower level pass-through entity's 35035  
physical assets that the lower level pass-through entity 35036  
directly or indirectly owns on the last day of the lower level 35037  
pass-through entity's calendar or fiscal year ending within or 35038  
with the last day of the upper level pass-through entity's 35039  
fiscal or calendar year. If the upper level pass-through entity 35040  
directly and indirectly owns less than fifty per cent of the 35041  
equity of the lower level pass-through entity on each day of the 35042  
upper level pass-through entity's calendar or fiscal year in 35043  
which or with which ends the calendar or fiscal year of the 35044  
lower level pass-through entity and if, based upon clear and 35045  
convincing evidence, complete information about the location and 35046  
cost of the physical assets of the lower pass-through entity is 35047  
not available to the upper level pass-through entity, then 35048  
solely for purposes of ascertaining if a gain or loss 35049  
constitutes a qualifying trust amount, the upper level pass- 35050  
through entity shall be deemed as owning no equity of the lower 35051  
level pass-through entity for each day during the upper level 35052  
pass-through entity's calendar or fiscal year in which or with 35053  
which ends the lower level pass-through entity's calendar or 35054  
fiscal year. Nothing in division (AA) (5) (a) (iii) of this section 35055  
shall be construed to provide for any deduction or exclusion in 35056



computing any trust's Ohio taxable income. 35057

(b) With respect to a trust that is not a resident for the 35058  
taxable year and with respect to a part of a trust that is not a 35059  
resident for the taxable year, "qualifying investee" for that 35060  
taxable year does not include a C corporation if both of the 35061  
following apply: 35062

(i) During the taxable year the trust or part of the trust 35063  
recognizes a gain or loss from the sale, exchange, or other 35064  
disposition of equity or ownership interests in, or debt 35065  
obligations of, the C corporation. 35066

(ii) Such gain or loss constitutes nonbusiness income. 35067

(6) "Available" means information is such that a person is 35068  
able to learn of the information by the due date plus 35069  
extensions, if any, for filing the return for the taxable year 35070  
in which the trust recognizes the gain or loss. 35071

(BB) "Qualifying controlled group" has the same meaning as 35072  
in section 5733.04 of the Revised Code. 35073

(CC) "Related member" has the same meaning as in section 35074  
5733.042 of the Revised Code. 35075

(DD) (1) For the purposes of division (DD) of this section: 35076

(a) "Qualifying person" means any person other than a 35077  
qualifying corporation. 35078

(b) "Qualifying corporation" means any person classified 35079  
for federal income tax purposes as an association taxable as a 35080  
corporation, except either of the following: 35081

(i) A corporation that has made an election under 35082  
subchapter S, chapter one, subtitle A, of the Internal Revenue 35083

Code for its taxable year ending within, or on the last day of, 35084  
the investor's taxable year; 35085

(ii) A subsidiary that is wholly owned by any corporation 35086  
that has made an election under subchapter S, chapter one, 35087  
subtitle A of the Internal Revenue Code for its taxable year 35088  
ending within, or on the last day of, the investor's taxable 35089  
year. 35090

(2) For the purposes of this chapter, unless expressly 35091  
stated otherwise, no qualifying person indirectly owns any asset 35092  
directly or indirectly owned by any qualifying corporation. 35093

(EE) For purposes of this chapter and Chapter 5751. of the 35094  
Revised Code: 35095

(1) "Trust" does not include a qualified pre-income tax 35096  
trust. 35097

(2) A "qualified pre-income tax trust" is any pre-income 35098  
tax trust that makes a qualifying pre-income tax trust election 35099  
as described in division (EE) (3) of this section. 35100

(3) A "qualifying pre-income tax trust election" is an 35101  
election by a pre-income tax trust to subject to the tax imposed 35102  
by section 5751.02 of the Revised Code the pre-income tax trust 35103  
and all pass-through entities of which the trust owns or 35104  
controls, directly, indirectly, or constructively through 35105  
related interests, five per cent or more of the ownership or 35106  
equity interests. The trustee shall notify the tax commissioner 35107  
in writing of the election on or before April 15, 2006. The 35108  
election, if timely made, shall be effective on and after 35109  
January 1, 2006, and shall apply for all tax periods and tax 35110  
years until revoked by the trustee of the trust. 35111

(4) A "pre-income tax trust" is a trust that satisfies all 35112

of the following requirements: 35113

(a) The document or instrument creating the trust was 35114  
executed by the grantor before January 1, 1972; 35115

(b) The trust became irrevocable upon the creation of the 35116  
trust; and 35117

(c) The grantor was domiciled in this state at the time 35118  
the trust was created. 35119

(FF) "Uniformed services" has the same meaning as in 10 35120  
U.S.C. 101. 35121

(GG) "Taxable business income" means the amount by which 35122  
an individual's business income that is included in federal 35123  
adjusted gross income exceeds the amount of business income the 35124  
individual is authorized to deduct under division (A) (28) of 35125  
this section for the taxable year. 35126

(HH) "Employer" does not include a franchisor with respect 35127  
to the franchisor's relationship with a franchisee or an 35128  
employee of a franchisee, unless the franchisor agrees to assume 35129  
that role in writing or a court of competent jurisdiction 35130  
determines that the franchisor exercises a type or degree of 35131  
control over the franchisee or the franchisee's employees that 35132  
is not customarily exercised by a franchisor for the purpose of 35133  
protecting the franchisor's trademark, brand, or both. For 35134  
purposes of this division, "franchisor" and "franchisee" have 35135  
the same meanings as in 16 C.F.R. 436.1. 35136

(II) "Modified adjusted gross income" means Ohio adjusted 35137  
gross income plus any amount deducted under divisions (A) (28) 35138  
and (34) of this section for the taxable year. 35139

(JJ) "Qualifying Ohio educator" means an individual who, 35140

for a taxable year, qualifies as an eligible educator, as that 35141  
term is defined in section 62 of the Internal Revenue Code, and 35142  
who holds a certificate, license, or permit described in Chapter 35143  
3319. or section 3301.071 of the Revised Code. 35144

**Sec. 5747.331.** (A) As used in this section: 35145

(1) "Borrower" means any person that receives a loan from 35146  
the director of housing and development under section 166.21 of 35147  
the Revised Code, regardless of whether the borrower is subject 35148  
to the tax imposed by section 5747.02 of the Revised Code. 35149

(2) "Related member" has the same meaning as in section 35150  
5733.042 of the Revised Code. 35151

(3) "Qualified research and development loan payments" has 35152  
the same meaning as in section 166.21 of the Revised Code. 35153

(B) Beginning with taxable years beginning in 2003, a 35154  
nonrefundable credit is allowed against a taxpayer's aggregate 35155  
tax liability under section 5747.02 of the Revised Code equal to 35156  
a borrower's qualified research and development loan payments 35157  
made during the calendar year that includes the last day of the 35158  
taxable year for which the credit is claimed. The amount of the 35159  
credit for a taxable year shall not exceed one hundred fifty 35160  
thousand dollars. No taxpayer is entitled to claim a credit 35161  
under this section unless it has obtained a certificate issued 35162  
by the director of housing and development under division (D) of 35163  
section 166.21 of the Revised Code and submits a copy of the 35164  
certificate with its report for the taxable year. Failure to 35165  
submit a copy of the certificate with the report does not 35166  
invalidate a claim for a credit if the taxpayer submits a copy 35167  
of the certificate within sixty days after the tax commissioner 35168  
requests it. The credit shall be claimed in the order required 35169

under section 5747.98 of the Revised Code. No credit shall be 35170  
allowed under this section if the credit was available against 35171  
the tax imposed by Chapter 5751. of the Revised Code except to 35172  
the extent the credit was not applied against that tax. The 35173  
credit, to the extent it exceeds the taxpayer's aggregate tax 35174  
liability for the taxable year after allowance for any other 35175  
credits that precede the credit under this section in that 35176  
order, shall be carried forward to the next succeeding taxable 35177  
year or years until fully used. 35178

(C) A borrower entitled to a credit under this section may 35179  
assign the credit, or a portion thereof, to any of the 35180  
following: 35181

(1) A related member of that borrower; 35182

(2) The owner or lessee of the eligible research and 35183  
development project; 35184

(3) A related member of the owner or lessee of the 35185  
eligible research and development project. 35186

A borrower making an assignment under this division shall 35187  
provide written notice of the assignment to the tax commissioner 35188  
and the director of housing and development, in such form as the 35189  
tax commissioner prescribes, before the credit that was assigned 35190  
is used. The assignor may not claim the credit to the extent it 35191  
was assigned to an assignee. The assignee may claim the credit 35192  
only to the extent the assignor has not claimed it. 35193

(D) If any taxpayer is a shareholder in an S corporation, 35194  
a partner in a partnership, or a member in a limited liability 35195  
company treated as a partnership for federal income tax 35196  
purposes, the taxpayer shall be allowed the taxpayer's 35197  
distributive or proportionate share of the credit available 35198

through the S corporation, partnership, or limited liability 35199  
company. 35200

(E) The aggregate credit against the taxes imposed by 35201  
section 5747.02 and Chapter 5751. of the Revised Code that may 35202  
be claimed under this section and section 5751.52 of the Revised 35203  
Code by a borrower as a result of qualified research and 35204  
development loan payments attributable during a calendar year to 35205  
any one loan shall not exceed one hundred fifty thousand 35206  
dollars. 35207

**Sec. 5747.51.** (A) On or before the twenty-fifth day of 35208  
July of each year, the tax commissioner shall make and certify 35209  
to the county auditor of each county an estimate of the amount 35210  
of the local government fund to be allocated to the undivided 35211  
local government fund of each county for the ensuing calendar 35212  
year, adjusting the total as required to account for 35213  
subdivisions receiving local government funds under section 35214  
5747.502 of the Revised Code. 35215

(B) At each annual regular session of the county budget 35216  
commission convened pursuant to section 5705.27 of the Revised 35217  
Code, each auditor shall present to the commission the 35218  
certificate of the commissioner, the annual tax budget and 35219  
estimates, and the records showing the action of the commission 35220  
in its last preceding regular session. The commission, after 35221  
extending to the representatives of each subdivision an 35222  
opportunity to be heard, under oath administered by any member 35223  
of the commission, and considering all the facts and information 35224  
presented to it by the auditor, shall determine the amount of 35225  
the undivided local government fund needed by and to be 35226  
apportioned to each subdivision for current operating expenses, 35227  
as shown in the tax budget of the subdivision. This 35228

determination shall be made pursuant to divisions (C) to (I) of 35229  
this section, unless the commission has provided for a formula 35230  
pursuant to section 5747.53 of the Revised Code. The 35231  
commissioner shall reduce the amount of funds from the undivided 35232  
local government fund to a subdivision required to receive 35233  
reduced funds under section 5747.502 of the Revised Code. 35234

Nothing in this section prevents the budget commission, 35235  
for the purpose of apportioning the undivided local government 35236  
fund, from inquiring into the claimed needs of any subdivision 35237  
as stated in its tax budget, or from adjusting claimed needs to 35238  
reflect actual needs. For the purposes of this section, "current 35239  
operating expenses" means the lawful expenditures of a 35240  
subdivision, except those for permanent improvements and except 35241  
payments for interest, sinking fund, and retirement of bonds, 35242  
notes, and certificates of indebtedness of the subdivision. 35243

(C) The commission shall determine the combined total of 35244  
the estimated expenditures, including transfers, from the 35245  
general fund and any special funds other than special funds 35246  
established for road and bridge; street construction, 35247  
maintenance, and repair; state highway improvement; and gas, 35248  
water, sewer, and electric public utilities operated by a 35249  
subdivision, as shown in the subdivision's tax budget for the 35250  
ensuing calendar year. 35251

(D) From the combined total of expenditures calculated 35252  
pursuant to division (C) of this section, the commission shall 35253  
deduct the following expenditures, if included in these funds in 35254  
the tax budget: 35255

(1) Expenditures for permanent improvements as defined in 35256  
division (E) of section 5705.01 of the Revised Code; 35257

(2) In the case of counties and townships, transfers to 35258  
the road and bridge fund, and in the case of municipalities, 35259  
transfers to the street construction, maintenance, and repair 35260  
fund and the state highway improvement fund; 35261

(3) Expenditures for the payment of debt charges; 35262

(4) Expenditures for the payment of judgments. 35263

(E) In addition to the deductions made pursuant to 35264  
division (D) of this section, revenues accruing to the general 35265  
fund and any special fund considered under division (C) of this 35266  
section from the following sources shall be deducted from the 35267  
combined total of expenditures calculated pursuant to division 35268  
(C) of this section: 35269

(1) Taxes levied within the ten-mill limitation, as 35270  
defined in section 5705.02 of the Revised Code; 35271

(2) The budget commission allocation of estimated county 35272  
public library fund revenues to be distributed pursuant to 35273  
section 5747.48 of the Revised Code; 35274

(3) Estimated unencumbered balances as shown on the tax 35275  
budget as of the thirty-first day of December of the current 35276  
year in the general fund, but not any estimated balance in any 35277  
special fund considered in division (C) of this section; 35278

(4) Revenue, including transfers, shown in the general 35279  
fund and any special funds other than special funds established 35280  
for road and bridge; street construction, maintenance, and 35281  
repair; state highway improvement; and gas, water, sewer, and 35282  
electric public utilities, from all other sources except those 35283  
that a subdivision receives from an additional tax or service 35284  
charge voted by its electorate or receives from special 35285  
assessment or revenue bond collection. For the purposes of this 35286



division, where the charter of a municipal corporation prohibits 35287  
the levy of an income tax, an income tax levied by the 35288  
legislative authority of such municipal corporation pursuant to 35289  
an amendment of the charter of that municipal corporation to 35290  
authorize such a levy represents an additional tax voted by the 35291  
electorate of that municipal corporation. For the purposes of 35292  
this division, any measure adopted by a board of county 35293  
commissioners pursuant to section 322.02, 4504.02, or 5739.021 35294  
of the Revised Code, including those measures upheld by the 35295  
electorate in a referendum conducted pursuant to section 35296  
322.021, 4504.021, or 5739.022 of the Revised Code, shall not be 35297  
considered an additional tax voted by the electorate. 35298

Subject to division (F) of section 5705.29 of the Revised 35299  
Code, money in a reserve balance account established by a 35300  
county, township, or municipal corporation under section 5705.13 35301  
of the Revised Code shall not be considered an unencumbered 35302  
balance or revenue under division (E)(3) or (4) of this section. 35303  
Money in a reserve balance account established by a township 35304  
under section 5705.132 of the Revised Code shall not be 35305  
considered an unencumbered balance or revenue under division (E) 35306  
(3) or (4) of this section. 35307

If a county, township, or municipal corporation has 35308  
created and maintains a nonexpendable trust fund under section 35309  
5705.131 of the Revised Code, the principal of the fund, and any 35310  
additions to the principal arising from sources other than the 35311  
reinvestment of investment earnings arising from such a fund, 35312  
shall not be considered an unencumbered balance or revenue under 35313  
division (E)(3) or (4) of this section. Only investment earnings 35314  
arising from investment of the principal or investment of such 35315  
additions to principal may be considered an unencumbered balance 35316  
or revenue under those divisions. 35317

(F) The total expenditures calculated pursuant to division 35318  
(C) of this section, less the deductions authorized in divisions 35319  
(D) and (E) of this section, shall be known as the "relative 35320  
need" of the subdivision, for the purposes of this section. 35321

(G) The budget commission shall total the relative need of 35322  
all participating subdivisions in the county, and shall compute 35323  
a relative need factor by dividing the total estimate of the 35324  
undivided local government fund by the total relative need of 35325  
all participating subdivisions. 35326

(H) The relative need of each subdivision shall be 35327  
multiplied by the relative need factor to determine the 35328  
proportionate share of the subdivision in the undivided local 35329  
government fund of the county; provided, that the maximum 35330  
proportionate share of a county shall not exceed the following 35331  
maximum percentages of the total estimate of the undivided local 35332  
government fund governed by the relationship of the percentage 35333  
of the population of the county that resides within municipal 35334  
corporations within the county to the total population of the 35335  
county as reported in the reports on population in Ohio by the 35336  
department of housing and development as of the twentieth day of 35337  
July of the year in which the tax budget is filed with the 35338  
budget commission: 35339

35340

1

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|   |   |  |
|---|---|--|
| A | Percentage of municipal population within the county: | Percentage share of the county shall not exceed: |
| B | Less than forty-one per cent                          | Sixty per cent                                   |

C     Forty-one per cent or more but less     Fifty per cent  
       than eighty-one per cent

D     Eighty-one per cent or more             Thirty per cent

Where the proportionate share of the county exceeds the 35341  
limitations established in this division, the budget commission 35342  
shall adjust the proportionate shares determined pursuant to 35343  
this division so that the proportionate share of the county does 35344  
not exceed these limitations, and it shall increase the 35345  
proportionate shares of all other subdivisions on a pro rata 35346  
basis. In counties having a population of less than one hundred 35347  
thousand, not less than ten per cent shall be distributed to the 35348  
townships therein. 35349

(I) The proportionate share of each subdivision in the 35350  
undivided local government fund determined pursuant to division 35351  
(H) of this section for any calendar year shall not be less than 35352  
the product of the average of the percentages of the undivided 35353  
local government fund of the county as apportioned to that 35354  
subdivision for the calendar years 1968, 1969, and 1970, 35355  
multiplied by the total amount of the undivided local government 35356  
fund of the county apportioned pursuant to former section 35357  
5739.23 of the Revised Code for the calendar year 1970. For the 35358  
purposes of this division, the total apportioned amount for the 35359  
calendar year 1970 shall be the amount actually allocated to the 35360  
county in 1970 from the state collected intangible tax as levied 35361  
by section 5707.03 of the Revised Code and distributed pursuant 35362  
to section 5725.24 of the Revised Code, plus the amount received 35363  
by the county in the calendar year 1970 pursuant to division (B) 35364  
(1) of former section 5739.21 of the Revised Code, and 35365  
distributed pursuant to former section 5739.22 of the Revised 35366

Code. If the total amount of the undivided local government fund 35367  
for any calendar year is less than the amount of the undivided 35368  
local government fund apportioned pursuant to former section 35369  
5739.23 of the Revised Code for the calendar year 1970, the 35370  
minimum amount guaranteed to each subdivision for that calendar 35371  
year pursuant to this division shall be reduced on a basis 35372  
proportionate to the amount by which the amount of the undivided 35373  
local government fund for that calendar year is less than the 35374  
amount of the undivided local government fund apportioned for 35375  
the calendar year 1970. 35376

(J) On the basis of such apportionment, the county auditor 35377  
shall compute the percentage share of each such subdivision in 35378  
the undivided local government fund and shall at the same time 35379  
certify to the tax commissioner the percentage share of the 35380  
county as a subdivision. No payment shall be made from the 35381  
undivided local government fund, except in accordance with such 35382  
percentage shares. 35383

Within ten days after the budget commission has made its 35384  
apportionment, whether conducted pursuant to section 5747.51 or 35385  
5747.53 of the Revised Code, the auditor shall publish a list of 35386  
the subdivisions and the amount each is to receive from the 35387  
undivided local government fund and the percentage share of each 35388  
subdivision, in a newspaper or newspapers of countywide 35389  
circulation, and send a copy of such allocation to the tax 35390  
commissioner. 35391

The county auditor shall also send a copy of such 35392  
allocation by ordinary or electronic mail to the fiscal officer 35393  
of each subdivision entitled to participate in the allocation of 35394  
the undivided local government fund of the county. This copy 35395  
shall constitute the official notice of the commission action 35396

referred to in section 5705.37 of the Revised Code. 35397

All money received into the treasury of a subdivision from 35398  
the undivided local government fund in a county treasury shall 35399  
be paid into the general fund and used for the current operating 35400  
expenses of the subdivision. 35401

If a municipal corporation maintains a municipal 35402  
university, such municipal university, when the board of 35403  
trustees so requests the legislative authority of the municipal 35404  
corporation, shall participate in the money apportioned to such 35405  
municipal corporation from the total local government fund, 35406  
however created and constituted, in such amount as requested by 35407  
the board of trustees, provided such sum does not exceed nine 35408  
per cent of the total amount paid to the municipal corporation. 35409

If any public official fails to maintain the records 35410  
required by sections 5747.50 to 5747.55 of the Revised Code or 35411  
by the rules issued by the tax commissioner, the auditor of 35412  
state, or the treasurer of state pursuant to such sections, or 35413  
fails to comply with any law relating to the enforcement of such 35414  
sections, the local government fund money allocated to the 35415  
county may be withheld until such time as the public official 35416  
has complied with such sections or such law or the rules issued 35417  
pursuant thereto. 35418

**Sec. 5747.66.** (A) Any term used in this section has the 35419  
same meaning as in section 122.85 of the Revised Code. 35420

(B) There is allowed a credit against a taxpayer's 35421  
aggregate tax liability under section 5747.02 of the Revised 35422  
Code for any individual who, on the last day of the individual's 35423  
taxable year, is the certificate owner of a tax credit 35424  
certificate issued under section 122.85 of the Revised Code. The 35425

credit shall be claimed for the taxable year that includes the 35426  
date the certificate was issued by the director of housing and 35427  
development. The credit amount equals the amount stated in the 35428  
certificate. The credit shall be claimed in the order required 35429  
under section 5747.98 of the Revised Code. If the credit amount 35430  
exceeds the aggregate amount of tax otherwise due under section 35431  
5747.02 of the Revised Code after deducting all other credits in 35432  
that order, the excess shall be refunded. 35433

Nothing in this section limits or disallows pass-through 35434  
treatment of the credit. 35435

**Sec. 5747.67.** (A) Any term used in this section has the 35436  
same meaning as in section 122.852 of the Revised Code. 35437

(B) There is allowed a credit against a taxpayer's 35438  
aggregate tax liability under section 5747.02 of the Revised 35439  
Code for any taxpayer who, on the last day of the taxpayer's 35440  
taxable year, is the certificate owner of a tax credit 35441  
certificate issued under section 122.852 of the Revised Code. 35442  
The credit shall be claimed for the taxpayer's taxable year that 35443  
includes the date the certificate was issued by the director of 35444  
housing and development. The credit amount equals the amount 35445  
stated in the certificate or the portion of that amount owned by 35446  
the certificate owner. The credit shall be claimed in the order 35447  
required under section 5747.98 of the Revised Code. If the 35448  
credit amount exceeds the aggregate amount of tax otherwise due 35449  
under section 5747.02 of the Revised Code after deducting all 35450  
other credits in that order, the excess shall be refunded. 35451

(C) Nothing in this section limits or disallows pass- 35452  
through treatment of the credit. 35453

**Sec. 5751.52.** (A) As used in this section: 35454

(1) "Borrower" means any person that receives a loan from the director of housing and development under section 166.21 of the Revised Code, regardless of whether the borrower is subject to the tax imposed by this chapter.

(2) "Qualified research and development loan payments" has the same meaning as in section 166.21 of the Revised Code.

(3) "Related member" has the same meaning as in section 5733.042 of the Revised Code.

(B) For tax periods beginning on or after January 1, 2008, a nonrefundable credit may be claimed under this chapter equal to a borrower's qualified research and development loan payments made during the calendar year immediately preceding the tax period for which the credit is claimed. The amount of the credit for a calendar year shall not exceed one hundred fifty thousand dollars. No taxpayer is entitled to claim a credit under this section unless the taxpayer has obtained a certificate issued by the director of housing and development under division (D) of section 166.21 of the Revised Code. The credit shall be claimed in the order required under section 5751.98 of the Revised Code. The credit, to the extent it exceeds the taxpayer's liability for the tax imposed under this chapter for a tax period after allowance for any other credits that precede the credit under this section in that order, may either be carried forward to the next succeeding tax period or periods or be claimed against the tax imposed under section 5747.02 as authorized under section 5747.331 of the Revised Code, but the amount of the excess credit claimed against either tax for any tax period or taxable year shall be deducted from the balance carried forward to the next tax period.

(C) A borrower entitled to a credit under this section may

assign the credit, or a portion thereof, to any of the 35485  
following: 35486

(1) A related member of that borrower; 35487

(2) The owner or lessee of the eligible research and 35488  
development project; 35489

(3) A related member of the owner or lessee of the 35490  
eligible research and development project. 35491

A borrower making an assignment under this division shall 35492  
provide written notice of the assignment to the tax commissioner 35493  
and the director of housing and development, in such form as the 35494  
commissioner prescribes, before the credit that was assigned is 35495  
used. The assignor may not claim the credit to the extent it was 35496  
assigned to an assignee. The assignee may claim the credit only 35497  
to the extent the assignor has not claimed it. 35498

(D) If any taxpayer is a partner in a partnership or a 35499  
member in a limited liability company treated as a partnership 35500  
for federal income tax purposes, the taxpayer shall be allowed 35501  
the taxpayer's distributive or proportionate share of the credit 35502  
available through the partnership or limited liability company. 35503

(E) The aggregate credit against the taxes imposed by this 35504  
chapter and section 5747.02 of the Revised Code that may be 35505  
claimed under this section and section 5747.331 of the Revised 35506  
Code by a borrower as a result of qualified research and 35507  
development loan payments attributable during a calendar year to 35508  
any one loan shall not exceed one hundred fifty thousand 35509  
dollars. 35510

**Sec. 5751.54.** (A) Any term used in this section has the 35511  
same meaning as in section 122.85 of the Revised Code. 35512



(B) There is allowed a refundable credit against the tax 35513  
imposed by section 5751.02 of the Revised Code for any person 35514  
that is the certificate owner of a tax credit certificate issued 35515  
under section 122.85 of the Revised Code. The credit shall be 35516  
claimed for the tax period in which the certificate is issued by 35517  
the director of housing and development~~services~~. The credit 35518  
amount equals the amount stated in the certificate. The credit 35519  
shall be claimed in the order required under section 5751.98 of 35520  
the Revised Code. If the credit amount exceeds the tax otherwise 35521  
due under section 5751.02 of the Revised Code after deducting 35522  
all other credits in that order, the excess shall be refunded. 35523

(C) Nothing in this section allows a person to claim more 35524  
than one credit per tax credit-eligible production. 35525

**Sec. 5751.55.** (A) Any term used in this section has the 35526  
same meaning as in section 122.852 of the Revised Code. 35527

(B) There is allowed a refundable credit against the tax 35528  
imposed by section 5751.02 of the Revised Code for any person 35529  
that is the certificate owner of a tax credit certificate issued 35530  
under section 122.852 of the Revised Code. The credit shall be 35531  
claimed for the tax period in which the certificate is issued by 35532  
the director of housing and development. The credit amount 35533  
equals the amount stated in the certificate or the portion of 35534  
that amount owned by the certificate owner. The credit shall be 35535  
claimed in the order required under section 5751.98 of the 35536  
Revised Code. If the credit amount exceeds the tax otherwise due 35537  
under section 5751.02 of the Revised Code after deducting all 35538  
other credits in that order, the excess shall be refunded. 35539

**Sec. 6111.12.** (A) The director of environmental protection 35540  
shall establish an antidegradation policy applicable to surface 35541  
waters of the state pursuant to applicable federal laws and 35542

regulations. The purpose of the policy shall be to maintain 35543  
levels of water quality that are currently better than 35544  
prescribed by applicable standards except in situations when a 35545  
need to allow a lower level of water quality is demonstrated 35546  
based on technical, social, and economic criteria. Not later 35547  
than March 31, 1994, the director shall revise the existing 35548  
antidegradation policy established in rules adopted under 35549  
section 6111.041 of the Revised Code and revise any necessary 35550  
implementation procedures to conform them to the following 35551  
principles and any mandatory regulations adopted under the 35552  
Federal Water Pollution Control Act: 35553

(1) The use of existing effluent quality as a method of 35554  
calculating antidegradation-based limits shall be imposed only 35555  
to the extent that the use is explicitly required by federal law 35556  
or regulation as the only means available to implement 35557  
antidegradation. 35558

(2) No degradation shall be allowed in waters for any 35559  
pollutant that currently does not meet applicable standards. For 35560  
all remaining waters, there shall be provisions requiring 35561  
federal antidegradation requirements to be met and provisions 35562  
ensuring that waters of exceptional recreational or ecological 35563  
value are maintained as high quality resources for future 35564  
generations. There shall be at least two categories of surface 35565  
waters identified in the state for that purpose and for the 35566  
purpose of establishing priorities for the administrative and 35567  
technical resources expended on antidegradation reviews. 35568

(3) Whenever current ambient water quality is determined 35569  
to be of a higher quality than prescribed in the standards, on a 35570  
pollutant-by-pollutant basis, and the water body lacks 35571  
exceptional recreational or ecological value, the director may 35572

allocate to existing sources eighty per cent of the pollutant 35573  
assimilative capacity as determined by appropriate total maximum 35574  
daily load procedures without further antidegradation review. 35575  
The permittee for any existing source may receive an effluent 35576  
limitation based on not more than one hundred per cent of the 35577  
mass or concentration levels necessary to meet applicable water 35578  
quality in the receiving water body as determined by appropriate 35579  
total maximum daily load procedures, provided that there has 35580  
been a satisfactory demonstration of the need to allow lower 35581  
water quality based on technical, social, and economic criteria 35582  
and the action is preceded by a public notice. Sources other 35583  
than existing sources that result in ten per cent or greater 35584  
change, that is, degradation, of ambient chemical water quality 35585  
shall require a demonstration of technical, social, and economic 35586  
need and shall be the subject of a public notice. 35587

(4) Degradation of waters identified as possessing 35588  
exceptional recreational or ecological value shall be determined 35589  
through an analysis of the expected perceptible change in 35590  
ambient concentrations of pollutant or alternatively through an 35591  
analysis of the expected change in the biological condition of 35592  
the water body. Either determination shall constitute a lowering 35593  
of water quality and shall require an antidegradation review. 35594  
The director shall establish, by rules adopted in accordance 35595  
with Chapter 119. of the Revised Code, a definition of 35596  
perceptible change that shall be applicable to those waters 35597  
identified in rule as possessing exceptional recreational or 35598  
ecological value. Antidegradation reviews shall be required for 35599  
any activity resulting in a perceptible change in ambient 35600  
chemical or biological quality on waters identified as 35601  
possessing exceptional recreational or ecological value. 35602  
Allowances shall be made for existing sources to retain their 35603

current permit limits with no requirement to demonstrate 35604  
technical, social, and economic need. 35605

(5) The director shall establish reasonable protocols for 35606  
completing technical, social, and economic need demonstrations 35607  
based on existing federal guidance and on input from the 35608  
department of housing and development, the regulated community, 35609  
and the general public. 35610

(B) Effluent limitations established by the director for 35611  
any existing source in any permit issued under division (J) of 35612  
section 6111.03 of the Revised Code prior to July 1, 1993, shall 35613  
continue in effect unless the permit is modified by the 35614  
director. A discharger seeking modification of antidegradation- 35615  
based limitations that were based on existing quality of 35616  
discharge when the permit was issued shall apply to the director 35617  
for modification of the permit, consistent with rules adopted 35618  
under division (A) of this section, not later than one hundred 35619  
eighty days after July 1, 1993. If the permittee has filed such 35620  
a timely application for modification, the director shall not 35621  
pursue administrative or judicial enforcement actions for 35622  
violations of antidegradation-based limitations based on the 35623  
existing quality of effluent that occur after July 1, 1993. 35624

(C) A historically channelized watercourse provides 35625  
technical, social, and economic benefits. Therefore, with regard 35626  
to a historically channelized watercourse, the director shall 35627  
not require further antidegradation review during the review of 35628  
an application for and the issuance or denial of a permit under 35629  
this chapter or a water quality certification under section 401 35630  
of the Federal Water Pollution Control Act if the director 35631  
finds, after public notice and opportunity for comment, and a 35632  
public hearing if significant public interest is shown, that all 35633

of the following apply: 35634

(1) Work is necessary to restore or maintain a drainage or 35635  
other improvement provided by a historically channelized 35636  
watercourse. 35637

(2) The work is performed pursuant to section 940.06 of 35638  
the Revised Code or a petition filed under section 6131.04 or 35639  
6133.02 of the Revised Code. 35640

(3) Without the work, flooding threatens public health and 35641  
safety or may result in significant damage to public or private 35642  
property. 35643

(4) The work will not result in the loss of designated or 35644  
existing beneficial uses as those uses are described in rules 35645  
adopted under section 6111.041 of the Revised Code. 35646

(5) The work will not harm or interfere with the 35647  
protection of federal or state designated endangered or 35648  
threatened species. 35649

(6) The historically channelized watercourse is not 35650  
designated as coldwater habitat, exceptional warmwater habitat, 35651  
or a state resource water in rules adopted under section 35652  
6111.041 of the Revised Code. 35653

(7) If information is available concerning resident 35654  
fishery or macroinvertebrate communities, or both, in the 35655  
historically channelized watercourse, the historically 35656  
channelized watercourse does not support a particularly diverse 35657  
or unique warmwater habitat as that term is defined in rules 35658  
adopted under section 6111.041 of the Revised Code. 35659

(8) Plans for the work have been submitted to the 35660  
applicable soil and water conservation district organized under 35661

Chapter 940. of the Revised Code. 35662

(9) A storm water runoff plan has been developed for the 35663  
watershed prior to or during planning and design of the work and 35664  
the work is consistent with the plan. 35665

(D) As used in this section: 35666

(1) "Existing sources" means any treatment works that were 35667  
built and operational under the terms of an NPDES permit prior 35668  
to July 1, 1993, but does not include expansions or upgrades of 35669  
existing treatment works authorized in rules adopted under 35670  
section 6111.03 of the Revised Code after that date. 35671

(2) "Appropriate total maximum daily load procedures" 35672  
means the procedures, policies, and guidelines used by the 35673  
director prior to July 1, 1993, or subsequent revisions to those 35674  
procedures established in rules adopted in accordance with 35675  
Chapter 119. of the Revised Code. 35676

(3) "Antidegradation review" means the consideration by 35677  
the director of the technical, social, and economic need 35678  
demonstration completed by any person requesting to lower water 35679  
quality as provided in this section, including the public notice 35680  
of the application and, at the discretion of the director, a 35681  
public hearing on it. 35682

**Sec. 6121.02.** There is hereby created the Ohio water 35683  
development authority. Such authority is a body both corporate 35684  
and politic in this state, and the carrying out of its purposes 35685  
and the exercise by it of the powers conferred by this chapter 35686  
shall be held to be, and are hereby determined to be, essential 35687  
governmental functions and public purposes of the state, but the 35688  
authority is not immune from liability by reason thereof. The 35689  
authority is subject to all provisions of law generally 35690

applicable to state agencies that do not conflict with this 35691  
chapter. 35692

The authority shall consist of eight members as follows: 35693  
five members appointed by the governor, with the advice and 35694  
consent of the senate, no more than three of whom shall be 35695  
members of the same political party, and the directors of 35696  
natural resources, environmental protection, and development, 35697  
who shall be members ex officio without compensation. The 35698  
director of housing and development may designate a person in 35699  
the unclassified civil service to serve in the director's place 35700  
as a member of the authority notwithstanding section 121.05 of 35701  
the Revised Code. The appointive members shall be residents of 35702  
the state, and shall have been qualified electors therein for a 35703  
period of at least five years next preceding their appointment. 35704  
Appointed members' terms of office shall be for eight years, 35705  
commencing on the second day of July and ending on the first day 35706  
of July. Each member shall hold office from the date of 35707  
appointment until the end of the term for which the member was 35708  
appointed. Any member appointed to fill a vacancy occurring 35709  
prior to the expiration of the term for which the member's 35710  
predecessor was appointed shall hold office for the remainder of 35711  
such term. Any appointed member shall continue in office 35712  
subsequent to the expiration date of the member's term until the 35713  
member's successor takes office, or until a period of sixty days 35714  
has elapsed, whichever occurs first. A member of the authority 35715  
is eligible for reappointment. Each appointed member of the 35716  
authority, before entering upon the performance of the duties of 35717  
the office, shall take an oath as provided by Section 7 of 35718  
Article XV, Ohio Constitution. The governor may at any time 35719  
remove any member of the authority for misfeasance, nonfeasance, 35720  
or malfeasance in office. 35721

The authority shall elect one of its appointed members as chairperson and another as vice-chairperson, and shall appoint a secretary-treasurer who need not be a member of the authority. Four members of the authority shall constitute a quorum, and the affirmative vote of four members shall be necessary for any action taken by vote of the authority. No vacancy in the membership of the authority shall impair the rights of a quorum by such vote to exercise all the rights and perform all the duties of the authority.

Before the issuance of any water development revenue bonds under this chapter, each appointed member of the authority shall give a surety bond to the state in the penal sum of twenty-five thousand dollars and the secretary-treasurer shall give such a bond in the penal sum of fifty thousand dollars, each such surety bond to be conditioned upon the faithful performance of the duties of the office, to be executed by a surety company authorized to transact business in this state, and to be approved by the governor and filed in the office of the secretary of state. Each appointed member of the authority shall receive an annual salary of seven thousand five hundred dollars, payable in monthly installments, and is entitled to health care benefits comparable to those generally available to state officers and employees under section 124.82 of the Revised Code. If Section 20 of Article II, Ohio Constitution, prohibits the Ohio water development authority from paying all or a part of the cost of health care benefits on behalf of a member of the authority for the remainder of an existing term, the member may receive these benefits by paying their total cost from the member's own financial resources, including paying by means of deductions from the member's salary. Each member shall be reimbursed for actual expenses necessarily incurred in the



performance of official duties. All expenses incurred in 35753  
carrying out this chapter shall be payable solely from funds 35754  
provided under this chapter, or appropriated for such purpose by 35755  
the general assembly and no liability or obligation shall be 35756  
incurred by the authority beyond the extent to which moneys have 35757  
been provided under this chapter or such appropriations. 35758

**Sec. 6123.031.** To create or preserve jobs and employment 35759  
opportunities, to improve the economic welfare of the people of 35760  
the state, to control air, water, and thermal pollution, or to 35761  
dispose of solid waste, and pursuant to Section 13, Article 35762  
VIII, of the Ohio Constitution, the Ohio water development 35763  
authority may exercise the powers set forth in this chapter, 35764  
with the approval of a project by the director of housing and 35765  
development, for the purpose of constructing or providing 35766  
financial assistance for the construction of any energy resource 35767  
development facilities as defined in section 1551.01 of the 35768  
Revised Code. Determinations by resolution of the authority that 35769  
a facility is an energy resource development facility, as so 35770  
defined, and is consistent with the purposes of Section 13 of 35771  
Article VIII, Ohio Constitution and this chapter shall be 35772  
conclusive as to the validity and enforceability of the 35773  
development revenue bonds issued to finance such facility and of 35774  
the resolutions, trust agreements or indentures, leases, 35775  
subleases, sale agreements, loan agreements, and other 35776  
agreements made in connection therewith, all in accordance with 35777  
their terms. 35778

**Section 2.** That existing sections 9.47, 9.66, 107.03, 35779  
107.21, 117.55, 121.02, 121.03, 121.35, 122.01, 122.011, 35780  
122.012, 122.013, 122.014, 122.02, 122.03, 122.04, 122.041, 35781  
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5747.66, 5747.67, 5751.52, 5751.54, 5751.55, 6111.12, 6121.02, 35842  
and 6123.031 of the Revised Code are hereby repealed. 35843

**Section 3.** That the versions of sections 3742.32 and 35844  
5104.30 of the Revised Code that are scheduled to take effect 35845  
January 1, 2025, be amended to read as follows: 35846

**Sec. 3742.32.** (A) The director of health shall appoint an advisory council to assist in the ongoing development and implementation of the child lead poisoning prevention program created under section 3742.31 of the Revised Code. The advisory council shall consist of the following members:

- (1) A representative of the department of medicaid;
- (2) A representative of the bureau of child care in the department of job and family services;
- (3) A representative of the department of environmental protection;
- (4) A representative of the department of education and workforce;
- (5) A representative of the department of housing and development;
- (6) A representative of the department of children and youth;
- (7) A representative of the Ohio apartment owner's association;
- (8) A representative of the Ohio healthy homes network;
- (9) A representative of the Ohio environmental health association;
- (10) An Ohio representative of the American coatings association;
- (11) A representative from Ohio realtors;
- (12) A representative of the Ohio housing finance agency;
- (13) A physician knowledgeable in the field of lead

poisoning prevention; 35873

(14) A representative of the public. 35874

(B) The advisory council shall do both of the following: 35875

(1) Provide the director with advice regarding the 35876  
policies the child lead poisoning prevention program should 35877  
emphasize, preferred methods of financing the program, and any 35878  
other matter relevant to the program's operation; 35879

(2) Submit a report of the state's activities to the 35880  
governor, president of the senate, and speaker of the house of 35881  
representatives on or before the first day of March each year. 35882

(C) The advisory council is not subject to sections 101.82 35883  
to 101.87 of the Revised Code. 35884

**Sec. 5104.30.** (A) The department of children and youth is 35885  
hereby designated as the state agency responsible for 35886  
administration and coordination of federal and state funding for 35887  
publicly funded child care in this state. Publicly funded child 35888  
care shall be provided to the following: 35889

(1) Recipients of transitional child care as provided 35890  
under section 5104.34 of the Revised Code; 35891

(2) Participants in the Ohio works first program 35892  
established under Chapter 5107. of the Revised Code; 35893

(3) Individuals who would be participating in the Ohio 35894  
works first program if not for a sanction under section 5107.16 35895  
of the Revised Code and who continue to participate in a work 35896  
activity, developmental activity, or alternative work activity 35897  
pursuant to an assignment under section 5107.42 of the Revised 35898  
Code; 35899

(4) A family receiving publicly funded child care on 35900  
October 1, 1997, until the family's income reaches one hundred 35901  
fifty per cent of the federal poverty line; 35902

(5) Subject to available funds, other individuals 35903  
determined eligible in accordance with rules adopted under 35904  
section 5104.38 of the Revised Code. 35905

The department shall apply to the United States department 35906  
of health and human services for authority to operate a 35907  
coordinated program for publicly funded child care, if the 35908  
director of children and youth determines that the application 35909  
is necessary. For purposes of this section, the department of 35910  
children and youth may enter into agreements with other state 35911  
agencies that are involved in regulation or funding of child 35912  
care. The department shall consider the special needs of migrant 35913  
workers when it administers and coordinates publicly funded 35914  
child care and shall develop appropriate procedures for 35915  
accommodating the needs of migrant workers for publicly funded 35916  
child care. 35917

(B) The department of children and youth shall distribute 35918  
state and federal funds for publicly funded child care, 35919  
including appropriations of state funds for publicly funded 35920  
child care and appropriations of federal funds available under 35921  
the child care block grant act, Title IV-A, and Title XX. The 35922  
department may use any state funds appropriated for publicly 35923  
funded child care as the state share required to match any 35924  
federal funds appropriated for publicly funded child care. 35925

(C) In the use of federal funds available under the child 35926  
care block grant act, all of the following apply: 35927

(1) The department may use the federal funds to hire staff 35928

to prepare any rules required under this chapter and to 35929  
administer and coordinate federal and state funding for publicly 35930  
funded child care. 35931

(2) Not more than five per cent of the aggregate amount of 35932  
the federal funds received for a fiscal year may be expended for 35933  
administrative costs. 35934

(3) The department shall allocate and use at least four 35935  
per cent of the federal funds for the following: 35936

(a) Activities designed to provide comprehensive consumer 35937  
education to parents and the public; 35938

(b) Activities that increase parental choice; 35939

(c) Activities, including child care resource and referral 35940  
services, designed to improve the quality, and increase the 35941  
supply, of child care; 35942

(d) Establishing the step up to quality program pursuant 35943  
to section 5104.29 of the Revised Code. 35944

(4) The department shall ensure that the federal funds 35945  
will be used only to supplement, and will not be used to 35946  
supplant, federal, state, and local funds available on the 35947  
effective date of the child care block grant act for publicly 35948  
funded child care and related programs. If authorized by rules 35949  
adopted by the department pursuant to section 5104.42 of the 35950  
Revised Code, county departments of job and family services may 35951  
purchase child care from funds obtained through any other means. 35952

(D) The department shall encourage the development of 35953  
suitable child care throughout the state, especially in areas 35954  
with high concentrations of recipients of public assistance and 35955  
families with low incomes. The department shall encourage the 35956

development of suitable child care designed to accommodate the 35957  
special needs of migrant workers. On request, the department, 35958  
through its employees or contracts with state or community child 35959  
care resource and referral service organizations, shall provide 35960  
consultation to groups and individuals interested in developing 35961  
child care. The department of children and youth may enter into 35962  
interagency agreements with the department of education and 35963  
workforce, the chancellor of higher education, the department of 35964  
housing and development, and other state agencies and entities 35965  
whenever the cooperative efforts of the other state agencies and 35966  
entities are necessary for the department of children and youth 35967  
to fulfill its duties and responsibilities under this chapter. 35968

The department shall develop and maintain a registry of 35969  
persons providing child care. The director shall adopt rules in 35970  
accordance with Chapter 119. of the Revised Code establishing 35971  
procedures and requirements for the registry's administration. 35972

(E) (1) The director shall adopt rules in accordance with 35973  
Chapter 119. of the Revised Code establishing both of the 35974  
following: 35975

(a) Reimbursement rates for providers of publicly funded 35976  
child care not later than the first day of July in each odd- 35977  
numbered year; 35978

(b) A procedure for reimbursing and paying providers of 35979  
publicly funded child care. 35980

(2) In establishing reimbursement rates under division (E) 35981  
(1) (a) of this section, the director shall do all of the 35982  
following: 35983

(a) Use the information obtained in accordance with 45 35984  
C.F.R. 98.45; 35985



(b) Establish an enhanced reimbursement rate for providers 35986  
who provide child care for caretaker parents who work 35987  
nontraditional hours; 35988

(c) With regard to the step up to quality program 35989  
established pursuant to section 5104.29 of the Revised Code, 35990  
establish enhanced reimbursement rates for child care providers 35991  
that participate in the program. 35992

(3) In establishing reimbursement rates under division (E) 35993  
(1)(a) of this section, the director may establish different 35994  
reimbursement rates based on any of the following: 35995

- (a) Geographic location of the provider; 35996
- (b) Type of care provided; 35997
- (c) Age of the child served; 35998
- (d) Special needs of the child served; 35999
- (e) Whether the expanded hours of service are provided; 36000
- (f) Whether weekend service is provided; 36001
- (g) Whether the provider has exceeded the minimum 36002  
requirements of state statutes and rules governing child care; 36003
- (h) Any other factors the director considers appropriate. 36004

**Section 4.** That the existing versions of sections 3742.32 36005  
and 5104.30 of the Revised Code that are scheduled to take 36006  
effect January 1, 2025, are hereby repealed. 36007

**Section 5.** Sections 3 and 4 of this act take effect 36008  
January 1, 2025. 36009

**Section 6.** The Speaker of the House of Representatives and 36010  
the President of the Senate shall appoint legislative members to 36011

the Ohio housing finance agency, as required by this act, not 36012  
later than thirty days after the effective date of this section. 36013

Not later than ninety days after the effective date of 36014  
this section, the Ohio housing finance agency shall conduct at 36015  
least one public hearing to consider changes to the policies, 36016  
guidelines, and scoring metrics used in the administration of 36017  
the agency's programs to resolve inequities and increase 36018  
participation in rural areas of the state. 36019

**Section 7.** The Speaker of the House of Representatives and 36020  
the President of the Senate shall appoint legislative members to 36021  
the Ohio housing trust fund advisory committee, as required by 36022  
this act, not later than thirty days after the effective date of 36023  
this section. 36024

**Section 8.** The General Assembly, applying the principle 36025  
stated in division (B) of section 1.52 of the Revised Code that 36026  
amendments are to be harmonized if reasonably capable of 36027  
simultaneous operation, finds that the following sections, 36028  
presented in this act as composites of the sections as amended 36029  
by the acts indicated, are the resulting versions of the 36030  
sections in effect prior to the effective date of the sections 36031  
as presented in this act: 36032

Section 122.073 of the Revised Code as amended by both 36033  
H.B. 487 and S.B. 314 of the 129th General Assembly. 36034

Section 140.01 of the Revised Code as amended by both H.B. 36035  
110 and H.B. 281 of the 134th General Assembly. 36036

Section 1551.20 of the Revised Code as amended by H.B. 36037  
632, S.B. 269, and S.B. 271 of the 120th General Assembly. 36038

Section 4906.02 of the Revised Code as amended by both 36039  
H.B. 110 and S.B. 52 of the 134th General Assembly. 36040

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| Section 5117.07 of the Revised Code as amended by both | 36041 |
| H.B. 283 and S.B. 3 of the 123rd General Assembly.     | 36042 |
| Section 5117.09 of the Revised Code as amended by both | 36043 |
| H.B. 283 and S.B. 3 of the 123rd General Assembly.     | 36044 |